CANNIBALS OF FINANCE

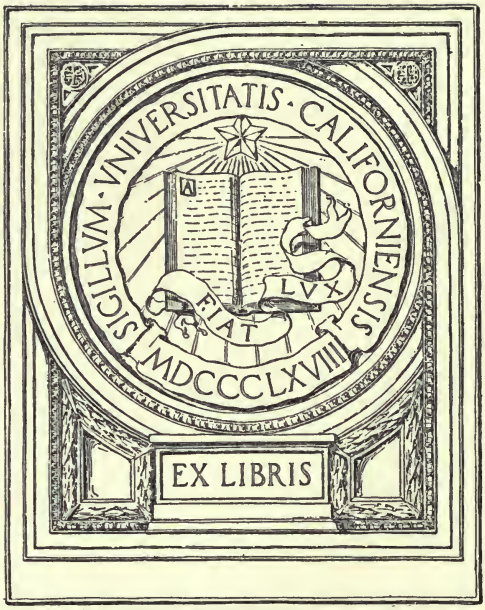
FIFTEEN YEARS' CONTEST WITH THE MONEY TRUST

BY

ARTHUR EDWARD STILWELL

AUTHOR OF

The Kansas City Southern Railroad
The Kansas City, Mexico and Orient Railroad
The Port Arthur Channel and Dock



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Yours truly
Arthur E. Shilliwell

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AUTHOR OF

Confidence or National Suicide—Universal Peace—War is Mesmerism—Reforming the Camp—The Road to Success

SEVENTH EDITION

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CLAXTON MAR. 1941

This book is dedicated to my good wife, who was my constant companion in all my travels during most of these years of persecution, and whose encouragement and unselfish devotion sustained me in the darkest hours.

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INTRODUCTION

No man ever had his work, while under way, more misjudged than mine has been; experts of all kinds have made maps to show where I was wrong in my calculations and estimates, yet my estimates were correct. All worked out much better than I anticipated, and I wonder what I could have done for this nation had I been left alone in peace, to serve the money entrusted to me; or had I back of me people strong enough to have said "Hands off."

Let me take your time to give you my view-point of life; then the balance I write will be clearer to you.

As the world advances in civilization and population, new conditions need new utilities. Men always reaching out for advancement send out their desire into the realm of thought. Cities grow, population increases; it takes men a long time to go to and from their business. They feel the need of quicker transit, and day by day this desire shapes itself until some morning the city awakes and finds some man has solved part of the problem; as McAdoo solved the great problem of interstate tubes between New York and Jersey City. Now, such a man is not the originator of these blessings he is to confer; it was the ceaseless desire of the

people that found expression through his mind; he was the messenger boy sent to deliver the message, and if the world understood this as well as I do, it would never attempt to trip any of nature's messenger boys, but rather help them all to deliver their messages.

Westinghouse felt the thrill that went through the traveler's mind when the old-time brakemen rushed out and applied the hand brake. He felt the desire for greater safety, and he delivered the message of the air-brake. Morse felt the need of the world for a better means of sending news, and delivered the message of the telegraph. Field felt all nature's need of quicker communication, and delivered the message of the cable. Bell felt the need of carrying the human voice, and delivered the message of the telephone. Edison has felt any number of the world's needs, and he has been busy in delivering messages of all kinds.

There is no use disputing it. It's as fixed a law as the laws that govern the solar system. Nature picks the messenger boy to deliver all of the earth's great blessings. Storms may assail him; he may lose his way; wolves may chase him up a tree and keep him there all day; bandits may capture him and hold him for a ransom, but he is still destiny's agent, and he and no one else is the one to deliver the message. Man cannot pick the men to deliver these messages. Nature or God alone can.

I will admit that the journey has been long and

my feet are sore, and that I would not mind the rest that would come could I give the Orient message into the hands of others; but no one else can read it as well as I can. They will leave out some of the cities that have been written in the message, and thus unintentionally rob the shareholders of earnings that would otherwise accrue to them; so I feel that it is my duty to go the whole journey and deliver the message of blessing to the Pacific, *and I will, if it is in my power to do so.*

CHAPTER I

The Siberia of Finance

This is a true story of fifteen years of persecution; a battle day by day for the right to live and create; a battle with the unfair and destructive methods of the so-called Money Trust, and I can assure my readers that no sufferers in Siberia are more deserving of your sympathy than those who are being daily sentenced by the Money Trust to the Siberia of Finance.

There may be no chain gangs. They may not travel in cattle cars nor walk thousands of miles in the snow, but the Money Trust is as autocratic and wields as great a power as the Czar of Russia, and the Siberia to which I have been sentenced at their command has given to me and many others as great mental and physical suffering as the Siberia of Russia.

You may ask: Why have I persevered against the unfair conditions? Because I have great faith in the ultimate triumph of right, and I believe that the nation that removed the curse of the pirates of North Africa, and freed the slaves of the South, can be relied upon sooner or later to break these fetters forged by the Money Trust, and set free

men like myself—who dare work for the upbuilding of their nation.

Not many experiences like mine can be found, because few men have the physical strength, patience and power of endurance which seems to have been my birthright, and has enabled me until now to jump every hurdle put in my path. In the writing and publishing of this book, I have no desire for revenge—revenge is baggage that I never carry—but I do desire to see the great work started by William Jennings Bryan in Baltimore, at the Democratic Convention, carried out, and a President in the White House with no entangling alliances, with a Congress and Senate so powerful that it can, if the President wishes it, once and for all end the injustice of the Money Trust, and no longer allow the Comptroller's office to be a tool whereby Wall Street may call the loans of any man they wish to ruin. I hope, if the Democratic Party is victorious in the next election, that it will pass laws making the profession of assassinating American business and business men rank with manslaughter, which it has often proved to be.

I will give you an example: When the American Sugar Refining Company, through Messrs. Havemeyer and Kissell of the Wall Street Banking House, closed the Siegle refinery in Philadelphia, it brought with it the failure of one of the great Trust Companies of Philadelphia; the Vice-President committed suicide, and the papers state

that the failure of the Trust Company caused numerous deaths from financial loss and worry. This is only one case. There are others. If certain men in New York had kept their promise, the Knickerbocker Trust Company would not have failed, nor its President, Mr. Barney, committed suicide.

I prefer to have the McNamaras blow up my building with dynamite than to have my property taken from me by the unprincipled methods of the Money Trust. In the first case, I have my lot left and can rebuild—while the cruel methods employed in the second case not only destroy the property, but often health and reputation. Why should it be that in case a poor man destroys my building with dynamite I have the entire legal machinery of the nation to bring him to justice, but if my business is destroyed by a combination of rich men, and my stockholders lose millions, there is no way that I can bring these men before the bar of justice, and no newspaper dare take up my fight or say one word in my favor, for they well know if they do the black hand of the Money Trust will then be turned against them? What I say regarding the press is absolutely true. I have the highest regard for newspapers and appreciate their high sense of justice, but know full well that for any newspaper in any way to undertake to fight my battle would mean ruin for that paper. It would first lose all its financial advertising, then the

large department stores and others would find that they could not rediscount their paper as before, and it would be intimated that as long as they continued to advertise in such and such a paper they could not expect the usual banking credit. I have had a number of talks with newspaper men, and they say: "Stilwell, we have watched your persecution and unequal fight, and know that all you say is true, but we are helpless to aid you." And I know that when this book is published any number of papers will be forced to comment unfavorably, and do all they can to ridicule it and my work.

Let us contemplate the unjust conditions as they exist. The rich man is separated from his deeds; his deeds only go before the bar of justice. The poor man is tried alone for his deeds. The Standard Oil Company is convicted of breaking the Sherman Law, and the evidence proved conclusively that they certainly broke the laws of justice and humanity in the conduct of their business. The *acts* of the officers and directors were brought to trial—not the officers and directors. The McNamaras blew up buildings, and the McNamaras were tried—not the buildings that they blew up. Had one of the agents of the Standard Oil Company destroyed the building, the case, I suppose, would then have been: was it a ruined building or was it not? The question as to who did it would probably not have been considered by the

court. The absolute lack of feeling that these financial cannibals show would leave one to think that they were suffering from a disease as dangerous as rabies—a disease that had deadened all finer feelings and sense of right to such an extent that nothing but the dread of a penitentiary sentence would cure them.

A few years ago I had a conversation with a leading official of the Standard Oil Company. He was a grand old man, a church member, and charitable, but he had been educated in this Standard Oil school (or school of no standard), and had I not known him so well I would have inferred by the story he told me that he had never heard of the Golden Rule. I will give you his story as nearly as I can, word for word. I started the conversation by saying: "I suppose it is useless for anyone to attempt to sell oil against such an organization as your company."

I seemed to have touched the one inhuman trait in his character, and he smiled and rubbed his hands as I imagine the old pirates of Tarifa, Spain, did when they came ashore with a big loot, after holding up some merchant ship. "Well," he said, "Stilwell, it is quick work putting them asleep. I had a man in our Cincinnati office who had saved about one hundred thousand dollars; he found out that the Standard Oil had practically no trade in one of the Southern States. (I think he said Alabama.) He resigned from our employ,

moved down there, and in three years built up a business that netted him between forty and fifty thousand dollars per year. Oh, he was a good hustler," my friend said, "and we made up our mind that we wanted his business. I offered him two hundred thousand dollars to sell out, and what do you suppose! He had the nerve to refuse it.

"Well, I put in a system of oil wagons and sold oil at one cent per gallon less than it cost him to get it. The next year I sold at two cents less than it cost him to get it. He was a good fighter, and met our prices. But it was useless. No one would lend him money or help him, although he tried in every way to get financial aid. They knew we were after him and would get him in time. We cleaned him out in a little over two years. Such a fool not to sell out for the two hundred thousand that I offered him!"

The story was related with very evident satisfaction, but a shiver ran down my spine. I had trod that road of suffering. I plainly saw that man working all his life saving and struggling for what he had. With his business acumen he saw the possibilities in this territory that was not occupied by the Standard Oil. He no doubt thought, as I used to think, that this was the land of the free, and started in to use his God-given abilities in the direction and business that he so well understood. Then he saw the business grow—what a pleasure to know that the little family would have

all that he in early life had planned and hoped for them! Then comes the offer that he feels justified in refusing, followed by the years of suffering—the loss of his entire capital; broken-hearted, and perhaps too late to start life a second time (as I did), and only disappointment and poverty to await him in his old age—all from no fault of his, only on account of the hungry maw of these business cannibals that live on the blood of others.

Ask why this man failed, and they will no doubt tell you (as they generally do in my case) that he was not careful and conservative, and was extended in all directions. These destroyers of American business men attend to all details. They even have some one to send out the proper obituary remarks about those whom they have devoured. They also control the commercial agencies. They sent a man to Europe this year to destroy the confidence of my friends. There is nothing neglected by this system to make the ruin of their helpless victims complete.

What I am telling you in this story is my own personal experience, but I want you to read the following, by Samuel Untermeyer in the *New York World* of July 2, 1912:

"Whether the so-called money trust inquiry shall be continued depends largely on the fate of the pending bill to amend the banking law that has passed the House and been hung up two months in

the Finance Committee of the Senate. If the big financial interests opposing the inquiry can prevent action on the bill by misrepresentation or by the exercise of their secret power it will be killed. They don't appreciate the way the inquiry was begun. In fact, they are protesting loudly that it is being conducted in an injudicial way, which means that they realize that it will not be innocuous, but will develop hidden facts.

"I believe these gentlemen are mistaken in boasting that they can kill the inquiry either by having Congress withhold funds or by throttling the necessary legislation. The time for that sort of thing has passed. We are entering upon a new era in government, and legislators who want to stay in public life are taking due notice of that fact.

"The committee has not touched upon the vital subject, and cannot do so until its powers are enlarged. My acceptance of a retainer was expressly conditioned on this power being secured.

"The committee has, however, developed some startling facts bearing on the existence, potency and growing concentration of the money power, already demonstrating the necessity for prompt remedial legislation. It is impossible to analyze this important testimony within the compass of an interview. It has been proven, among other things:

WHAT HAS BEEN SHOWN SO FAR

"1. That the Clearing House Committee of New

York possesses and exercises arbitrary and irresponsible power over the finances of the country that is dangerous in the extreme and should be subjected to legislative and judicial control. Around it gravitates the entire financial system of the country.

"2. That these men are in turn dominated by a few bankers who are not members of the Clearing House and not officially connected with its members.

"3. That it reserves the power to arbitrarily prevent the forming of new banks and trust companies and to prevent all competition by refusing its privileges of membership, without which business cannot be successfully done.

"4. That under its self-constituted regulations it can ruin any solvent banking institution by withdrawing clearance privileges without notice, reasons or redress. Its opportunities for favoritism and oppression are endless.

"5. That in a panic it *destroyed a number of solvent banks* that would have been saved under a proper system responsible to legal control. Those banks, after being put out of business by the action of the Clearing House Committee, paid their depositors in full even in liquidation and had a surplus of from $50 to $150 per share for the stockholders.

"6. That ninety-four banks and trust companies that are members of the Clearing House or amenable to its rules have been compelled under penalty

of expulsion and ruin to become parties to a criminal conspiracy whereby they were deprived of independence in dealing with customers and were required to make uniform excessive charges for collecting out-of-town checks amounting to an annual tax of many millions of dollars upon the business of the country. Until this regulation was put into force it was customary to make such collections without charge, but this is now forbidden under severe penalties.

"7. That the association maintains a bureau of staff accountants who, acting under the direction of the committee, have the right to examine into the accounts and affairs of all the members. Thus, the committee can at all times inform itself of all loans and collaterals, and is able to exercise a power to dislodge collateral that is dangerous to the community.

"9. The relations of the Stock Exchange to the country's financial system have been shown to some extent, but that, as well as the branch of the inquiry relating to the Clearing House, is unfinished.

INFLUENCE OF THE PRESS

"No investigation ever undertaken in Congress or by any government has been of such far-reaching importance. If properly conducted, it should point the way to fundamental reforms in our financial and industrial systems, but it will require many months of laborious, painstaking investigation and the cordial aid of the community. Above all, it will need

the enthusiastic support of the independent press of the country to make known the true facts as developed and to offset the desperate efforts of men who dread the inquiry and are making through a part of the metropolitan press attempts to destroy its effect by wilful misrepresentation, suppression of testimony or attempts to ridicule its importance.

"The influence of these men over the press through vast advertising patronage and power to assist the speculations of the newspaper agents in the financial district is an important factor in this situation. We have already felt its force in its garbled reports of the testimony of Vanderlip and others.

"The policy of many papers has been dictated by financial needs. Others run that way from choice. There are only a few New York papers with the courage, independence and disregard of financial penalties that the *World* has shown in its attitude toward the investigation.

"I am satisfied, however, that when the committee takes up the main branch of the inquiry the facts that will be developed and the precedent set by a few independent papers will force just treatment by the others. The control of a part of the metropolitan press by the money power is one of its most important agencies not the least dangerous to the community."

Now, please reread the above article, as I shall

refer to it often, and I want to impress it thoroughly upon your mind. Remember this statement of Mr. Untermeyer is the statement of a great corporation attorney of New York, chosen by the Congressional Committee to investigate the Money Trust as their attorney. Read what Mr. Untermeyer says this Money Trust does to solvent banks in times of panic; then you will more readily believe what I am going to tell you of what they did to the Guardian Trust Company, of which I was President. They have no consideration for any one in their path. The widow and orphan, the poor and the weak, are all trampled down. In the Guardian Trust Company were many whose holdings represented their entire life's savings. They had received regular dividends for years, as no trust company in Missouri had probably up to this time paid better dividends than this company. But they were all robbed just to reach me. Is it any wonder that some of the political parties are endeavoring to prove that none of the ill-gotten gains of "The System" were used in their former campaigns? But we know that they were, and by this means these men received immunity from their misdeeds which have honeycombed the life of the nation.

I sometimes have wondered if when Edward Harriman was dying in his partially completed palace at Ardmore, it added one jot to his peace of mind to think that he had for years deprived me of my rightful place as the upbuilder of Port

Arthur, of which I was the creator; or that he had for five years controlled the destinies of the Kansas City Southern Railroad, which he had helped seize from me and my stockholders just as the last spike was driven. And I wonder if his wife and children are any happier in the increased possessions which were gained in this way. As I lately drove past Ardmore, I thought of that silent tomb and thanked God that I was the one who had been wronged and not the one responsible for the destructive work recorded in the coming chapters.

I wonder if when John Gates was dying in Paris and was told that he could live only a few days, did it make his pillow any easier to think that he had helped Harriman and others to take from me my Railroad and Trust Company as revenge for my refusal to help him steal from innocent people. Both of these men died long before their time. Both of them were useful men in the world. They would have been rich enough if they had used only honest methods. There is nothing to be gained by dishonest work. Its seeming profits are only a delusion; such gain is really a loss. It never can bring peace and happiness.

You will read in the coming chapters on the Guardian Trust Company and the Kansas City Southern Railroad, how the committee, of which Messrs. Gates, Harriman and Thalman were the prime movers, broke promise after promise which they had made in print. Not one of these men is

alive to-day. Such dishonest work starts a law of retribution which seems to shorten life, and if, as the Good Book says, "The sins of the fathers are visited upon the children even to the third and fourth generation," what an inheritance!

Notwithstanding the awful struggle which I shall relate in the coming chapters, a struggle which made my work sometimes almost impossible, and in the case of the Orient Railroad, made it cost millions more than it otherwise would have cost, practically all the companies that I have organized and started have been a success, have made big money, and their existence justified, and hardly a loss would have been recorded had it not been for the awful work of these financial cannibals. You will read in this book of the needless receivership of the Kansas City Southern, the receivership being granted at midnight on a thirty-four dollar printing bill, the only object in bringing the receivership being to depress the securities. You will also read of the receivership of the four Northern roads of which I was President, granted at two o'clock in the morning for the sole purpose of helping John Gates make money by the depressing of securities. You will also read of the receivership of the Guardian Trust Company, a solvent company with no deposits, the receivership being asked for only to prevent my building the Orient Railroad.

As Elbert Hubbard says: "Few can pay the

price of hemlock, and few deserve the Cross." But when you finish reading this story of persecution, remember there are many others who could tell pathetic stories of business ruined by these millionaires, who, as Untermeyer says, "destroyed a number of solvent banks in times of panic," and who from the recent exposés in the papers we learn bought Congressmen, Senators, and almost controlled the President by their large contributions, knowing that owning the banking credit of the land as they did, any person whom they wished to destroy was helpless. If this story of my suffering during these past years will blaze the way for freedom in this supposedly free country, and bring about a higher standard in business; if this story will help to impress upon our young men just entering the business world the value of the Golden Rule, my suffering will not have been in vain.

When we went to war with the South, no white man was a slave. The war was to free the colored man. No great monopolies owned and controlled the business of the country, even in slavery days. I loved to develop, and the great Southwest attracted my attention. That section of the country had as much right to have Stilwell and Dickinson develop and improve it as the Northwest had to have the constructive work of James J. Hill, and it was a national crime that we were not let alone to carry out this work unmolested.

President Diaz said to me a few years ago:

"Senor Stilwell, I cannot understand how any nation can treat a great constructor in the scandalous way that your nation treats you. Any other nation would respect and help a man who had done what you have done for your country. I can assure you," he continued, "that a number of bankers have tried by personal interview and letters to get me to cancel your concessions and ruin your great enterprise. While I am President, this shall not be done." And he added: "We have adopted the policy of burning the letters of your enemies and filing the letters of your friends."

Before I commence this story of financial cannibalism, I want to give you a synopsis of my work so that you may keep it in your mind as you read the succeeding chapters, that you may decide what is the greatest asset of a nation, the man who builds cities, railroads, harbors, reclaims deserts and drains swamps, or these men who, as Untermeyer said, "destroyed a number of banks in times of panic." The companies that I created and raised all the original capital for now employ about twenty thousand people, which means that at least eighty thousand people receive their living from companies which I created, the combined pay roll of which amounts to about thirty millions of dollars per year.

This is only a part of the benefit I have brought to mankind. There, out on the Western plains, I could show you thousands of homes that I have been the pathfinder for. Banks and business thrived

where I had pushed back the cattle ranges, and this work of city building was done so quickly and quietly that it was like pulling a great carpet down over the West, with its cities and farms, to take the place of the boundless prairies, with their lonely cowpunchers and their herds. It was a great, ennobling work, and Stilwell and Dickinson understood it, and from this work flowed great rivers of commerce and industry, their golden streams turned life into the wholesale and retail trade of the West, and from the benefit derived from this pulsating stream of commerce, buildings arose where none had been before, and stories were added to existing buildings. But, on the other hand were men bent on ruin. They ran Ruin Departments. They had experts to track down and trip up all who did not pay tribute to them. They had all the habits of civilization, but those habits only covered corrupt dealings and corrupt lives. They thought all men had their price, and from the late exposés in the daily papers, they were, in the majority of cases, right.

The kings of old would often bury alive the people they objected to, cement them into the walls of their palaces, and take a few days at it so as not to shorten the pleasurable operation. But theirs was a merciful plan compared with the plan of these financial cannibals. No man can give you more accurate information than I can, and now as I read the letters of Mr. Archbold to Senator Pen-

rose—as I see the great amount of money contributed by these financial cannibals—I understand how it was when I went to the Department of Justice and stated my case of persecution, that I was told that nothing could be done. If it is true, as stated in the papers to-day by Senator Penrose, that the Southern Pacific gave one hundred thousand dollars to the Republican Campaign Fund; if it is true, as Senator Penrose says, that the Standard Oil Company gave one hundred and twenty-five thousand; if it is true, as President W. O. Allison of the National Reserve Bank told me, that the Standard Oil interests were going to ruin me, cannot you see how they fixed up the field? Perhaps they thought when they gave these great fortunes it would enable them to slug Stilwell and Dickinson to their hearts' content, enable them to steal their roads, along with the other enterprises they might wish. What show did we stand with our banking credit destroyed by the interlocking directors? With their bloodhounds and spies, with their control of great offices, they had the map of our ruin complete.

Out West were two men striving to help their nation, men who had lived clean lives, men who did not know the first act in the game of corruption. In that golden West was a great empire needing development. There were thousands of chances for the young men of the West to go into this new territory. There cities would spring up;

all would be benefited by this work that gave to all and took from no one. On the other side were unprincipled men, men connected with great banks, with their roots of influence reaching all over the land; with hundreds of thousands of dollars they had bought Senators and Congressmen, and no doubt owned the United States Comptroller, or at least part of his force. They had contributed perhaps a million in different ways to the party in power.

They had in reality bought the United States as a private preserve. They personally could not be molested. Some of their companies the Government must proceed against, but they personally could not be hurt. At least this much must be done or the people would rise up, and so the machinery of the Government was stopped, as this handful of rich men had interlocked their power and influence and practically debauched the nation that they might prey, not on the high seas, as the pirates did of old, but prey unmolested on any enterprise that they wished. So what show had these two men out West, building this great road, adding millions to the wealth of the West, adding greatness to Kansas City, Wichita and other cities? How could they work against men who had bought, with their corrupt money, the power of the nation for righteous government, and a nation with a hundred million clean-minded people fast asleep while a handful of men were moving back the hands

of civilization a score of years, forcing men like Stilwell and Dickinson to drop their great work just as the golden dawn of success was brightening the sky of honest endeavor?

After the above was written, I read the following in the *American* of August 23, 1912, a wonderful coincidence, as the ideas conveyed are the same as in my chapter, and is just what by experience I have found to be the case:

"*The letters show the oil trust is the Government.* They show how the trust dictates appointments; how the trust directed the investigation of itself by a Government commission; how the trust assured the escape of witnesses in the inquiry; how the trust framed laws to be passed in the Senate for 'control' of itself and other corporations."

The following, from *Frenzied Finance,* by Thomas W. Lawson, so agrees with my ideas that I take the liberty of copying it:

"To Penitence: that those whose deviltry is exposed within its pages may see in a true light the wrongs they have wrought—and repent.

To Punishment: that the unpenalized crimes of which it is the chronicle may appear in such hideousness to the world as forever to disgrace their perpetrators.

To Penitence: that the transgressors, learning the error of their ways, may reform.

To Punishment: that the sins of the century crying to heaven for vengeance may on earth be visited with condemnation stern enough to halt greed at the kill.

To Punishment: that public indignation may be so aroused against the practices of high finance that it shall come to be as culpable to graft and cozen with the law as it is lawless today to counterfeit and steal.

To Penitence: that in the minds of all who read this eventful history there may grow up a knowledge and a conviction that the gaining of vast wealth is not worth the sacrifice of manhood, and that poverty and abstinence with honor are better worth having than millions and luxury at the cost of candor and rectitude."

CHAPTER II

What Others Think

The following is a copy of a letter from a prominent newspaper writer, sent me the day before my talk on the Money Trust at Carnegie Hall. It is so apt I take pleasure in offering it to my readers, so that as they read the following chapters they can have my view-point on the awful conditions of to-day, the findings of Samuel Untermeyer, and also the opinion of this newspaper man—these ideas, the ideas of a builder, the ideas of a great corporation attorney, the ideas of a newspaper man of New York:

"A. E. Stilwell,
New York.
"Dear Mr. Stilwell:

"In pagan days it was the custom to propitiate the gods. The gods were simply idols. It seems absurd that rational men and women should have made sacrifices at such shrines. But we are worse than the heathen, for we have set up gods, and more powerful gods, and have invested them with more potency, more power for evil or for good, than ever did the pagans.

"The greatest power in America today is the money god. He rules the Government; he rules the factory; he rules the railroad, the farm, the home. The center of Government of the United States is not in Washington. It is in Wall Street! From every section of this broad land of ours, men who think they are free, men who pride themselves on this being a republic, come with their gifts in their hands and abase themselves before this money god.

"You cannot build a mile of railroad in the United States today without permission from the money god. You cannot establish a great industry anywhere in the United States unless you have the sanction of the money god. This is not a republic. It is a money oligarchy. It is the most absolute money monarchy the world has ever known. It has the finest working system that big business ever has known. It levies tribute on rich and poor. The greatest industry pays a price to the money system for protection, and the most wretched tenement dweller pays a price to the money system for the privilege of living.

"You and I have raised our hands and our eyes in holy horror at the stories of the police system —the horrible system of bribery and corruption that evil men pay to the officers of the law who are sworn to enforce the law. You and I have read of the protection-money paid for the privilege to practice vice and crime. We have thought this

was the meanest of blood money. But how does it compare with the blood money of Wall Street —the blood money exacted by the great gods of the money system?

"The largest amount ever collected by the most powerful head of the police system was picayune, paltry, not to be thought of, in comparison with the price paid to one of the money gods for one job! He got eighty millions of dollars.

"Can you conceive of what $80,000,000 represents? We have had some great men in this United States. We have had George Washington, Thomas Jefferson, Andrew Jackson, Abraham Lincoln, William McKinley, Grover Cleveland, Theodore Roosevelt, William Howard Taft. We have had Edison; we have had Stevens; we have had Field; we have had Westinghouse; we have had Morse. But all the earnings of all these great men, all the products of their hands and of their brains, brought less to them than the work of one of the Money Trust in the organization of one of the great Trusts.

"And you are paying for it! Think of it!

"I cite this as one example only, because it is a significant one. I have no quarrel with a man for the amount of money he may get for his work. But I have a quarrel with a man who uses his power to prevent others from working.

"Yours truly."

CHAPTER III

My Constructive Work

I wish to give you, my readers, some idea of the constructive work I have done during the last twenty-four years, but not from any sense of egotism, as no man is to be praised for the work he does; it is only nature working through him to take dominion of the earth. In any country but where this Money Trust dominates, I would be one of the nation's leading men, respected, with credit. I should not be on the "Black List," as Dumont Clark told me I was, or, as you will read later, slated for ruin, with all my companies, as the President of the National Reserve told me I was to be. At the time he told me this, I could hardly believe his statements, but what has occurred since leads me to believe he knew what he was talking about. Then when I remember what Samuel Untermeyer says, "that in a panic it destroyed a number of solvent banks," I realize people who do this will stop at nothing.

These millionaires do this, without a thought for the anguish of the thousands of stockholders, the depositors, with no reckoning of the heart-aches, the distress, and often death from worry. These

men, Untermeyer says, do so; these men of untold wealth, who live in palaces.

And these same men who for fifteen years have followed me, did they know I had refused to do the bidding of Kountz, Thalmann and Gates, and must be ruined? Like the pirates of Tarifa, Spain, of the years of long ago, do they demand tribute from all American industries and business men? And must these business men, when that tribute is not willingly given, as in these olden days, walk the plank of business ruin?

It is said that when the pirates of Tarifa, Spain, ruled the sea, all ships they stripped must have the gold piled up on the decks in readiness for these pirates, and if the captain even scowled when the ship was looted, he must walk the plank or hang at the yard arms.

Can you see any difference between the treatment of the long ago and now? Then, the pirates were hardy dare-devils, red-shirted, blear-eyed; now they are models of neatness and exact manners, and live in palaces. But the victim can see no difference in the results, and neither can stockholders or depositors of banks. Samuel Untermeyer says that "in a panic the Money Trust destroyed a number of solvent banks."

These modern pirates endow hospitals, churches, and contribute to the Free Ice Fund; yet some of these men caused Moffat, that great man of Den-

ver, to die of a broken heart, because they would not allow him to finance his great road.

Now, I want my readers to take a glance at the constructive work I have done. All of these companies I gave birth to; for all of them I personally secured the greater part of the money.

I founded the Guardian Trust Company; built the Kansas City Suburban Belt Road; built the Kansas City Southern; constructed the Port Arthur Ship Canal; started a line of steel steamers from Port Arthur to England and Holland. I started a line of two steamers from Port Arthur to ports in Mexico; secured six hundred thousand dollars for the Sioux City stock yards; founded the National Surety Company, now of New York, and was its head officer for five years; built the first modern office building in Sioux City; financed the Great Central Coal and Coke Company of Kansas City; built the Kansas City Northern connecting road; rebuilt the Omaha and St. Louis; rebuilt the Quincy, Omaha and Kansas City Road. I built the Kansas City and Eastern; built nearly one thousand miles of the Kansas City, Mexico and Orient Railroad. In Kansas City I built five office buildings, one theater, and laid out Janssen Park and Fairmont Park. I built the Kansas City and Independence Air Line Road; got the charter and was first president of the Wyandotte Street Electric Line, Kansas City. I erected over one hundred homes in different parts of the West, and laid

out two of the most beautiful additions to the City of Mexico; built one of the office buildings of that city and one of the hotels. I located Procter & Gamble's plant in Kansas City, and helped finance the Kansas City Cotton Mills of that city. I started the Port Arthur Rice Farm; planted twelve miles of orchards in Arkansas; started and finished great irrigation enterprises in Western Texas, near Fort Stockton; bought the land and founded scores of towns and cities in different parts of the West. Among the leading ones are Stilwell, Mena, DeQueen, Fairview, Carmen, Hamlin and Port Arthur.

For all of these projects, and for many others, every detail was carried out under my direction.

I formed the Liberty Bell Mining Company of Colorado and was its president for years. The mine produced one-eighteenth of the gold of Colorado each year, and has paid in dividends one million, five hundred thousand dollars. I founded and was president for years of the United States and British Columbia Development Company. This company, with six hundred thousand dollars capital, has paid one million, three hundred thousand dollars in dividends.

I built the Water Power and Electric Light Plant at Joplin, Missouri, and the Water Works of Carrolton, Missouri. I colonized thirty thousand acres of land on the line of the Texas Pacific Railroad, and hundreds of thousands of acres on the

Kansas City Southern and Kansas City, Mexico & Orient.

I founded and was president for years of the Horse Show of Kansas City. I founded and was president of the great Land Show of New York last year. In Florida you will find a farm that is thirty miles around that I financed.

So my beneficent work has reached from the mines of Colorado on the West to the great Waterway of Jamaica Bay on the northeast, and from Jamaica Bay to Florida on the southeast; from Sioux City on the North to the City of Mexico on the South; and had this really been the Land of the Free, in place of twenty thousand people now being employed by companies that I have founded, there would no doubt be fifty thousand. From any number of these companies which I financed, I never received one dollar reward, and never expected any. The only reward I had was the satisfaction that I was bringing out of the blue ether of opportunity, chances for some of God's children to achieve and prosper in this land, and these jewels of brotherly love need no safety deposit vaults to hold them, no detectives to guard them, but are the mind and soul's possessions, where "rust doth not corrupt nor thieves break through and steal."

The companies I founded are today ninety per cent of them prosperous. They employ thousands of men and furnish livings for many thousands of people. There have been few failures in my record,

except those forced upon me by people wishing to ruin me and mine.

These companies to which I gave life have paid in dividends and interest since I founded them over twenty million dollars.

Now, for which of these good works do they stone me?

There can be only three reasons for the opposition I have met:

First. The United States is given out to different banking interests for railroad development; that is, there is some understanding whereby banking interests agree to a mutual division of certain sections of the United States, and these banks have combined to sandbag and ruin any outsider who attempts to build in these zones. I not being connected with either side, the moment I started the Kansas City, Southern & Orient road, I automatically started all the machinery of all these people to compass the ruin of me and my companies, and as one step in that direction the ruin of the Guardian Trust Company was decided upon.

Second. They coveted my different roads because of the great geographical strength of their location.

Third. They thought the example of some independent man's making a business of railroad building in the United States would so encourage others that if I succeeded there would be numerous independent companies. There are many bankers who

know that what I say is true; they are above such methods; they deplore them. But to say one word, to remonstrate, would put them also on the Black List.

One of the members of the New York Stock Exchange told me that my experience was only one in hundreds; that he had given up his Wall Street office, for he could no longer bear to see such things being done.

But in the meantime, confidence is being shattered. Today seats on the Stock Exchange are selling lower than a few years ago, when this was a fair field and no favorites, and the Stock Exchange was the great security market of the United States, and not used, as it now so often is, as a tool to crush men and companies.

Perhaps it is all right to regulate business men and enterprises. If so, let us do it by legal methods; let the people vote who these arbitrators shall be, and when you or I wish to start an enterprise, let us go to these men and get permission to live and create. Then if it is withheld we can leave the United States for more favored lands, or retire from business. Russia is a haven of freedom compared with these United States. I wonder if in Russia, in times of panic, they destroy solvent banks, as Samuel Untermeyer says they do in New York.

I can testify they did in Kansas City, when they wrecked my Guardian Trust Company, and there

was no panic at that time; it just came out of a clear sky.

But whatever the reason, the facts remain. These things were done. Whatever the contributing causes, such methods as were employed in my case are not uncommon when the Money Trust has an object in mind, whether it be the grabbing of a million or the ruin of a man.

CHAPTER IV

The Building of My First Road

In 1887 I was president of a prosperous trust company in Kansas City, the second trust company in Missouri. One of the directors was E. L. Martin, one of Kansas City's leading financiers, a man who had saved the city's credit by paying out of his own pocket the interest on the city's bonds when it had no funds to meet it. I told him of my grandfather's experience in building railroads, and that I was making a study of railroading, and expected to take it up. He told me of a franchise he had for building a belt railroad with an entrance to the city on Second Street, but that, after three years of endeavor to find the money, he had given it up, and that his franchise would expire in less than a week. We went over the line, and I at once saw its great possibilities. That night we both left for Philadelphia, and on the way I devised a plan to raise the money and start the work before the time elapsed. We formed an underwriting syndicate. Each subscriber to this syndicate was to receive for each one thousand subscribed thirteen hundred and thirty-three dollars of six per cent bonds and two thousand dollars com-

mon stock. When the road was afterwards sold to the Kansas City Southern, each bond of the Belt Line received thirteen hundred and thirty-three dollars of new Southern bonds and two hundred and fifty dollars of the four per cent preferred stock; for each share of the common stock the subscribers received two hundred and fifty dollars of four per cent preferred and seven hundred and fifty dollars of common stock of the Kansas City Southern. So for each one thousand dollars invested in this syndicate the subscriber received seventeen hundred and seventy-nine dollars of Kansas City Southern bonds, five hundred dollars of the preferred stock and fifteen hundred dollars of the common stock, or a total of thirty-seven hundred and seventy-nine dollars in bonds and shares of the Southern.

The Belt Line prospered and is now one of the greatest properties of Kansas City, and part of the Kansas City Southern System. Other extensions were built under the name of the Union Terminal and the Consolidated Terminal. Their five per cent bonds were sold at eighty-five to ninety, and with each bond was given a bonus of the Belt Line stock. In the consolidation with the Southern these bonds of the Union and Consolidated received one thousand dollars in the new Southern bonds and two hundred and fifty dollars of the preferred stock, showing in the first case very large profits and in the second case ample profits.

While the Kansas City Southern was building,

Mr. Martin called to my attention the great need of a short line to the Gulf of Mexico. We designed what is now the Kansas City Southern. This formed a line to the Gulf of Mexico over one hundred miles shorter than any other line. To build the first section a company was formed, called the "Philadelphia Construction Company." Later, two other companies were formed, called "The Arkansas Construction" and "The Kansas City Terminal Construction Company," to build the other sections. The panics of 1893 and 1896 gave us serious conditions to contend with, but they were met, and in 1896, notwithstanding the panic, we built one-fourth of all the new mileage constructed in the United States.

During this year, one of the darkest in the history of the United States, people interested in our road asked me to write a report, giving my estimate of the earnings of the road when finished. I complied with this request and wrote a book estimating that the road, when finished, would earn ten thousand dollars per day or *five thousand dollars per mile per year,* but I stated that the road soon after being finished would earn seven thousand four hundred dollars per mile gross and would soon exceed the earnings per mile of the Missouri Pacific, Rock Island or the M. K. & T. R. R., as the Kansas City Southern would be all main line.

To prevent me from finishing this enterprise, that would mean so much for Kansas City, one of the

best known traffic men of the United States was employed by people interested in seeing this road fail. He wrote a report in which he characterized my statement as the dream of an unsound mind, and said the road could not earn four thousand dollars per day. He said the Belt Line and Southern was a swindle of gigantic proportions—whether premeditated or not, would not enter into his calculations. And, as far as the road ever earning more than the Missouri Pacific, the Rock Island, or the M. K. & T., that was absurd! I give this more in detail in a succeeding chapter.

But I here wish to state that my prediction more than came true, as the Southern earnings now exceed the earnings of the Missouri Pacific by between four thousand and five thousand dollars per mile per year. I hope the Orient stockholders will, when they read my prediction regarding the Orient road earnings, remember how this derided estimate of mine was more than verified.

When the Kansas City Southern was started, all agricultural industries in Kansas and other Western states were languishing; mortgages were being foreclosed all over the West. The railroads were forcing the people of the West to ship all grain fourteen hundred miles to the East, in place of eight hundred and nine hundred miles to Southern ports; the rates on grain were twenty-one to twenty-six cents per hundred; corn was some years

ten cents per bushel in Kansas, and people were using it for fuel.

The rate on long-leaf lumber was nearly ten cents per hundred more to Kansas City than to Chicago, and Kansas City was from two hundred to three hundred miles nearer the long-leaf pine territory. Seats on the Kansas City Grain Exchange were fifty dollars; there were only two grain elevators in Kansas City, and they had little business. Farm land was the lowest for years. Kansas City was the center of an empire, the greatest on earth, but it was losing in population, and its business was also decreasing in volume. I saw the injustice of these high railroad rates. I saw the city that I loved languish. I saw that just rates on lumber would make Kansas City the great lumber market of the Southwest. I saw great lumber companies thriving in Chicago, made prosperous by the railroad rate; they had a fair rate per ton per mile, while my home town and the people of my section of the United States must pay five to ten cents more per hundred than the people of Illinois and Ohio. Why should we stand this injustice? Why were not the people of the Golden West entitled to the same rate per ton per mile as the people of Illinois and Ohio?

Then I saw the great injustice of the grain rate. Why pour sixty to eighty cents more per acre into the coffers of railroads by forcing grain to take a fourteen hundred mile haul eastward, when nature

had provided a great port less than a thousand miles south? This injustice I made up my mind to remedy by the Kansas City Southern. I made up my mind that the Southern should serve the people of the section now suffering from unjust rates; and, filled with this idea, I worked with the spirit of a crusader. No man could have done what I did in building the Kansas City Southern—all personal work—unless he was inspired by some other goal than profit. The obstacles I jumped could not have been surmounted if my aim had not been impersonal. I sank self; I was fighting a battle to free Kansas City from the yoke of unjust rates. I was to increase the value of all land in the West. I was to bring to Kansas great prosperity. Millions of money now being paid to railroads was to remain in Kansas, pay its mortgages and free its people from debt. These blessings would reach to Nebraska and all the West. Great lumber companies and coal companies would come to Kansas City. Great buildings would arise. It would be the grain market of the West. Was I not fighting a wonderful battle?

This is the vision I saw. Would you not be inspired by such a vision? I was not taking from people. I was not taking life or property. No trail of destruction and death would follow my path of victory, but the blessings of justice to the section I loved. Cannot you see, with such a vision, what I had to inspire me during the Baring failure and

the panic of 1896? Cannot you understand, with such a vision, how I could work as man could not work otherwise.

My visions have come true. The picture of the blessings to be conferred shaped itself as if by magic I had stood on some summit and waved a magician's wand and, as I did so, said: "Beloved West, I now free you from the shackles of unjust rates. Kansas, I free you from mortgages; the lumber you use shall come to you at fair rates; your grain shall find ready market, and the rates for transportation shall be just. No longer shall you burn corn. In Kansas City, in the place of depression of real estate values, shall come prosperity; great grain elevators shall spring up on every hand. It shall be the lumber and grain market of the Southwest." This was my dream and this the reality, and no magician with his wand could ever have brought it quicker than the finished Kansas City Southern did. Read of the prices before this work was done; talk to the people who lived there before 1890. And then go and see that dream of mine, now a reality. See what can be done by the president of a railroad who wishes to serve the territory which gave him the right of eminent domain, the right to build—a president who considered his territory, and not Wall Street.

Now what a storm these so-called revolutionary rates brought down on me! Railroad meetings were called in New York, Chicago and distant places,

to curb me. When the lumber rates went into effect, all Western roads boycotted the Southern for ninety days; a meeting was called in Chicago to force us to restore the twenty-six cent lumber rate. The boycott was at all division points. Our cars would not be received by any railroad. The millions I had secured for the road were in danger. Some of my directors wired me that I must give in; stockholders thought my act would spell ruin. But I made up my mind that I would triumph over all the combined railroad influence and wealth, because back of me was right and justice. My visions of the blessings to be conferred would come to naught if I gave in. There would be one more railroad, but no one would be benefited.

I refused to go to the meeting, but sent our traffic man with this message: "The rate on lumber from the long-leaf belt to St. Louis is eleven cents per hundred; from St. Louis to Chicago, ten cents per hundred; the combined rate is twenty-one cents per hundred; Kansas City is a much shorter haul than to Chicago, and the people our road serves are entitled to this rate, and it will stand as long as I am president."

When my message was read, one of the great railroad men of the West, Mr. Stickney, President of the Chicago Great Western, said: "Stilwell is right. There is no argument. I shall at once remove the boycott as soon as a telegram can be written." He did, and I owe a great

debt of gratitude to him for this act, as do all the people of the West. Had it not been for this act of his I cannot tell what would have been the result. A meeting of railroad presidents was called at Bar Harbor, Maine, to consider the cut rates I had put in on grain. I refused to attend. Why go to distant Bar Harbor to talk of justice to Kansas and the West?

I saw the injustice; I knew the remedy and I intended to apply it. Wall Street and the markets were not what I had constructed that steel ribbon south for; it was to benefit my beloved section of the United States. Better go down to defeat fighting for the right than win personal ease and personal gain by surrendering the rights of others.

What capacity for work Hope gives man! When the vision before him is justice, he is able to tread the thorny path of life; the fires of adversity he does not feel; his eyes are on the high goal of honest endeavor. Sneers and personal loss are nothing to him. He is fighting for a principle; he is endowed with strength that comes no other way. I know all of my fight for freedom of action will bear fruit, and that none of my constructive work for my country will in the long run fail. With your face turned toward Good, the final will be triumph, no matter if the road be long.

Now all western railroad interests were united to fight me. I was a menace to the stock market. I was a disturbing factor; at least, this was their

viewpoint. My new rates, railroad men said, would ruin the railroads of the West, and I am sure they honestly believed it—but my vision was different. I saw just rates would bring prosperity to the West; it would increase the buying power of all. The loss on the rates made on grain and lumber would be made up by greater crops, as capital would go into paying business; greater use of lumber would come with lower rates; the farmers of the West would have millions for merchandise which they could not now buy, and the rates on the merchandise that should come West to a section with ample money to buy would make up for loss through the new rates in grain and lumber.

All of these visions came true. Land advanced in value by leaps and bounds. The people grew rich and were enabled to hold their property and buy more, and no harm was done anyone. The route for western grain to go south was established. Galveston, Port Arthur, and New Orleans throbbed with life as the products of the soil were turned south; the Kansas City Southern shipped trainloads of packing house products to the South for export—never before done. New packing houses were built; the existing ones were then enlarged to fill export orders for by-products—a condition never before known in Kansas City. The people of the West had money, mortgages were paid, and all the great good, as I foresaw, came to this section and is there today.

Let me try to give you a pen picture of the work I was daily doing as this great road was being built. The road is progressing to the Gulf, as the message of blessing is daily written on the ground in characters of steel and ties of oak. All over the West and Northwest are hundreds of agents telling of the new empire open for settlement. Towns grow as by magic. Mena, Arkansas, grew to two thousand in population in a few weeks. When the townsite sale started, there were over one thousand people camping around the townsite. Often in one week five thousand dollars would be paid for tickets by home-seekers going to a townsite or land sale. All the while this construction work was going on companies were formed to build hotels in the new towns, to develop water power, gas and electric lights. Men were induced to come to these towns and locate in all kinds of business, and like the building of Solomon's Temple, there were skilled men in all departments. Great orchards were planted; thousands of acres were turned from swamp lands to rice fields; and when the road was finished, it jumped to greater earnings the first month than the Western Pacific did with all of the seventy-eight millions of dollars expended, and all the Gould lines back of it. Think of such development, which enables a road the first month of its history to earn at the rate of over five thousand dollars per mile per year. Seldom before has there been such a record made.

Station after station handled big business for

some company I had financed. The road had fought an unnecessary fight at Port Arthur, yet amidst all this fight, I had found time to develop a territory as few ever have before or since. And when the road was finished, all these mills, orchards and rice fields, in connection with a line of steamers to Europe and Mexico, made a wonderful picture of the achievement of a man who was fighting for his people, for his Nation. I had only made forty thousand dollars profit in all these years of work in this great enterprise. I had no time to think of self. I was fighting a battle like Grant fought—like all men on the battlefield fight. You cannot think of reward; only your duty can hold you during such a bombardment as Kountz and others gave me.

But all the time I felt that this great constructive work would be rewarded in some way. I looked at the work of my hands and found it good. I saw just railroad rates take the place of unfair ones. I saw hundreds of new homes dot the plains and hillsides. I heard the hum of scores of mills at work on the road; I saw the grimy miners going to open up the new mines this road developed; the husbandmen at work on the thousands of acres of land just opened; the hundreds of tie cutters at work in the forests cutting ties for the roads of the West. I saw the ships at Port Arthur loading at the grain elevator for the Continent; saw the stacks of lumber being loaded for all parts of the world. And that was the picture, painted by a so-called Dreamer!

STEAMERS PREPARING TO LOAD WI
SOUTH AMERICA A

OIL AND OTHER COMMODITIES FOR
ORT ARTHUR, TEXAS

CHAPTER V

The Port Arthur Fight

While the Kansas City Southern was building, the idea of making Galveston the deep water terminal was given up. I had read in some old book that the Indians had said the island on which Galveston was located had twice been covered with water. Knowing full well the history of the destruction of Sabine Pass in the early eighties, and knowing the destructive power of these Gulf storms, I made up my mind to build a storm-proof, land-locked harbor. I felt sure that sooner or later Galveston would again be visited by a great storm, and I did not wish to have our road there when it arrived.

Soon after we had bought the Texarkana & Fort Smith Railroad, which afterward was made part of the Southern System, I made up my mind to locate a city on the Gulf where no storm could reach. I went to Sabine Pass and looked it over. There I was given all the details of the different storms that had three times destroyed the tracks of the Southern Pacific leading to this place. I heard of the awful devastation of the storm of 1883 from one of the few men who were saved. I made

up my mind that it was foolish to consider this point as a terminal of our road. I found that fourteen miles back on the north shore of Sabine Lake no storm had ever touched; that the storm waters spread all over the great lake and lost their power before the north shore was reached.

There I found a cow pasture which I decided to buy, and through the land build a great canal and connect with the waters of Taylor's Bayou, and have it flow through the canal, keeping it scoured out by its current of about three miles an hour. My plan was outlined and perfected and the town site of four thousand acres was purchased at a cost of twelve dollars per acre, a total of forty-eight thousand dollars. This is the price today of a few hundred feet on the leading business street of Port Arthur. Had it not been for this trip, and seeing this need of a terminal city, Port Arthur would still be a cow pasture and its great land value would not have been created.

I supposed when I had located this place that this was a free country. I supposed that when a company owned a railroad and terminal property, it would be free to construct and develop, unobstructed by outside influences. But now started one of the most bitter fights ever known to the Southwest. We endeavored to buy the swamp land connecting this four thousand acre plot with deep water, but were thwarted in every way by injunction suits. We then went to the Texas legislature and got the right to condemn land for the canal.

This bill was fought night and day by the owners of Sabine Pass, but my constructive work for Texas during the past five years, and the fact that the owners of Sabine Pass had never developed the land at all, were considered, and we won the right to condemn that bit of swamp between the site of Port Arthur and deep water. The land was condemned and brought a nominal price, as it was worthless.

I thought our victory was now complete. Few men who have not come in direct contact with wealth understand what money can do. The fight went to the courts on the condemnation and was fought for months. Then when the Kountzes, who were back of the fight, were beaten in the courts, they took it to the halls of Congress. They claimed that the finishing of the canal would cause silt to come down and destroy the work of the Government on the jetties; they did not say that the river which flowed into the canal bore no silt at all. They had reports from men like General Palmer of Colorado, who made a report that the canal banks would all slide in within one year and fill up the canal. This report was published in the Eastern daily papers and sent to all people they knew were interested in our work, and, as his was a great name, it had great influence. Now, how few people who read such reports analyze them at all. Just attach some well-known name, and a false statement has power—for a while at least.

Let us analyze General Palmer's report: Suppose the bank did slide in; it was our canal, not Kountz's or Palmer's. And how did Palmer know? And what was it to him, anyway? He was not there. And why slide in? It was constructed in clay soil and has the same slope as the Suez Canal, and that is built through sand. This report had power, but I overcame it. All this time our canal was costing more than it ought to, because of the great expense forced on us by this fight—a fight for no reason on earth but to ruin me for pure revenge, because I had refused to be a tool for a rich man.

I dislike to drag in names, but this needless fight has forced me to. It was always my desire that I might be spared the ordeal, but if people will resort to such contemptible work, they must understand the risk, and accept what comes. All of these men have in each case thought I was deeply in debt. They were positive that as great an optimist as I was would be a large borrower, and they have, in the desire to ruin me, always struck or attempted to strike me in my banks. They found, as this man did, that I had always anticipated these very attacks, and had not extended myself. Then when my personal credit could not be destroyed, they have never failed to attack my companies.

After my fight and victory in the legislature of Texas, after the United States Court had given a

verdict in our favor, I received word that Mr. Luther Kountz wished me to call on him on a certain day at eleven o'clock. I called, and I will give you word for word the conversation; it is as clear in my mind as yesterday.

I said: "Mr. Kountz, I cannot understand this awful fight you are putting up. Our land is our own; our railroad is our own; this is a free country. We are fourteen miles away from your land. I would have been glad to buy it, but as it has all been under water three times in thirty years, I do not wish it."

"Mr. Stilwell," he replied, "I will force you to buy it."

"Force?" I repeated. "That's a strong word. No man can force me, Mr. Kountz." But I thought I would find out the price he wanted for what I understood cost him fifty cents per acre; so I waited.

"I want one million dollars; this is my price. If you say you will recommend the purchase, I will at once give you personal credit for one hundred thousand dollars in our bank." As he said this, he arose to go out into the banking room to give me the credit.

This quick attempt to buy me interested me, and I said: "Not so quick, Mr. Kountz. If we buy this land, we will have to fill it up at least eight feet, which was the height of the last tidal wave. This will cost one million more. It is fourteen miles to

our line. This will cost three hundred thousand more to reach your property. Why don't you build up from your property and connect with our road and build as big a city as you wish? You have the money. We will give you connection anywhere you wish and do all we can to help you.

"You have owned the property for years," I continued, "and you own great fields of timber. Why have you not long ago developed the timber lands you own and erected a great mill and sawed lumber for export? It is a good enterprise. Undertake it now and connect with us. Then you have your own road. You can build your mill there and bring the logs to the mill, and also have the connection with our road. Any freight that originates on our road can be transferred to any steamers you charter or that come to your port. You have the money and credit. Go in and develop and we will co-operate with you. This is a free land; there is enough for us all—and then some."

His face grew dark. He said: "No, I will not build a road in Texas. My terms are one million dollars. I will at once give you credit for one hundred thousand dollars. No one shall know it. If you do not accept, I will ruin you and your road and prevent your finishing the canal."

"Mr. Kountz," I said, "I am not for sale. Do you think I would work night and day to build this great road; would work in an unselfish attempt to make a land-locked harbor; watch every dollar that

goes into the road, and then, just as my honest endeavors are about to be crowned with success, sell my manhood to you for a hundred thousand dollars? Do you think I am going to put my hand into the treasury of our company and give you one million dollars for something I consider worthless? There could be only two reasons for my doing this: one, that I am for sale at one hundred thousand dollars, which I am not; the other, that I fear you, which I do not."

I left the bank, and then was started the great fight at Washington, a record of which has been published by the Government.

Now remember, my reader, that Mr. Kountz sent for me; I did not ask for the interview. And notice from here on that in no case have I sought any of these people who have year by year followed me. You ask why they followed me? I will tell you. Each enterprise that I have started has had such great merit that it excited avarice in some rich man's heart. He wanted what I had created, as his own. He thought I was for sale—that I had a price. When he found I was not, he adopted the well-known method of ruin through his bank connections.

The fight at Washington was fierce. The matter was brought to the Ways and Means Committee, and we were enjoined from cutting the forty feet that remained to connect with deep water. We were to be given a hearing before the Committee

at a distant day. It finally arrived. I came to Washington with representative men from various Western cities.

Among them was Mr. Hook, now United States Judge. Mr. Kountz was there with his attorney. Mr. Dingley was chairman. I could see it was a fixed-up job. I arose, told of the fight for this great land-locked harbor; told of the storms that had resulted in great loss of life at Sabine, and the destruction of the Southern Pacific track that lay along the canal. Mr. Dingley interrupted me with: "Mr. Stilwell, twenty minutes is all you have, and your time is up." I sat down. Mr. Hook and others then told of the great benefit to the West that had come with the Southern, and how still greater benefits would come in the future.

Then Mr. Kountz's attorney made a long speech, telling the Committee that God made the harbors and He had not made one in my cow pasture; that I had located mine to give it my name. "This great financier of the West," he continued, "has told you in eloquent words of the awful storms that have in times past wiped out the Southern Pacific that runs along his great canal. But, gentlemen, he has not told you what would happen to his canal if such a storm came again."

I arose and said: "Mr. Dingley, I was just going to tell you of the fourth storm last year, when you said my time was up. The same kind of

a storm visited this section last year and again removed ten miles of Southern Pacific track."

"Mr. Stilwell," asked Mr. Kountz's attorney, "what did the storm do to your canal?"

"It only *wet the water,*" I answered. There was great laughter. We left the committee room and in one hour the Ways and Means Committee, with a vote of one in our favor, gave us permission to proceed. I was waiting around, and as they came out, Congressman McMullin, I think it was, of Tennessee, came up and said: "Stilwell, they had me lined up against you before your talk, but that 'wetting the water' got my vote."

That evening President McKinley sent for me. He told me Mr. Kountz had about perfected papers for a new injunction, and asked, "How long will it take you to make that connection?" "It will be done by daylight," I replied; and it was, and when the Government officers went to serve the papers, the canal was connected. It is a great waterway, as you can see by the map. It is seven miles long, and the same width and depth as the Suez Canal. The grain elevator I built, started in one week to load steamers for Europe. During the two years' fight to build a waterway on our own land, every effort had been made to prevent us. A paper had been published each week at Sabine Pass, making fun of our canal, and these papers were given out at Port Arthur to all who arrived by train.

Bankers wrote my friends in Kansas City, advising them to call my loans. And yet all I was doing was developing the West, opening an empire to the tidewater at the South.

Thinking there was no doubt that we could finish our canal, I had chartered a line of steamers to run to Liverpool, from Port Arthur, and also a line of steamers to Mexico, when these injunctions held us up and as a consequence forced us to expend one hundred and fifty thousand dollars in temporary piers so that lighters could load there and reload onto the steamers. The expense of this fight made a deficit of five hundred thousand dollars, which burdened the road. For two years I had fought the power of money in an unjust fight —an unheard-of fight—a fight to force us to buy land fourteen miles away, that we did not want, and to add fourteen miles to our mileage merely to increase the riches of a rich man. It had taken much time, and attempts had everywhere been made to prevent me from getting money.

Then notice the sequel. A few years later the same Government that Mr. Kountz had used as his tool took over this canal, agreed to maintain it free for ninety-nine years, and extended it, at the Government's expense, about ten miles to the Natchez River. This wild dream of Stilwell's, that he fought the Money Trust and the Government for, was not such a wild dream, after all. Port Arthur has grown rapidly; its increase of tonnage

for the year ending 1910 was thirty-five per cent. Some months its foreign trade is greater than that of Galveston, but the finishing of the Panama Canal will make it one of the greatest ports of the United States.

What a different life mine would have been had it not been for this unequal fight! No receivership would have been needed, and I, no doubt, would today be the president of the road, and Mr. E. L. Martin of Kansas City and Mr. deGeoijen of Amsterdam, as vice-presidents, in the positions they deserve for their great and loyal work.

The calamities predicted by the experts have not yet come. In spite of General Palmer's prediction that the banks of the canal would cave in within a year, the canal stands today as it stood when I finished it fourteen years ago.

CHAPTER VI

The Receivership of the Kansas City Southern

The Port Arthur fight crippled the road and gave us a floating debt of five hundred thousand dollars, but in Holland we had a friend who represented us, one of the most unselfish men I ever met. His whole aim in life was to watch the stockholders' interests. He bought nearly all of this floating debt.

We needed thousands of new cars, but had not the credit to buy them. The grain was moving south in train-load lots. I had closed a contract with a large Chicago house for two ship loads of sisal per month, and this we used to load the grain cars north. The business of the mills and the grain business was so large that we were threatened with suits because we could not get cars to move it.

Never had a new road jumped into greater business. The need of new cars was very urgent, and I talked it over with George M. Pullman, one of God's noblemen and one of the best friends of my life. We telegraphed each other every other day. He had been a friend of my grandfather, who started him in business. He said, "Well,

Arthur, you must have more cars. Next week Mr. Calif, my auditor, and I will go over the road with you." They did, and Mr. Pullman at once saw its great business advantages. He would not talk of any plan, but requested me to have all the directors of our road at the Lawyers' Club, New York City, two weeks later. We met, as requested, and after lunch Mr. Pullman spoke very feelingly of my grandfather's friendship for him. He recounted my grandfather's work in New York state, told about his starting Mr. Pullman in business, and said: "My friendship for your president, my desire to help the grandson of my good friend, leads me to do something that I know would not be called a good business arrangement. I have just been over your road with my auditor, Mr. Calif. I see its great business advantages. I recognize its need of additional equipment. I understand the burden the Port Arthur fight has been, and out of gratitude for the start Hamlin Stilwell gave me, and out of friendship for his grandson, I will furnish the company two million dollars for equipment—notes with no cash payment, and only interest the first five years. The Pullman Company can build part of these, the rest Mr. Stilwell can order elsewhere."

Well, such help I had never hoped for. It was the deliverance of my great road. Tears of gratitude came to my eyes and all the directors, I think, felt as I did. What a relief from a great burden.

The fight of Kountz was forgotten in the presence of such great kindness.

I at once gave the orders for the cars and locomotives needed, and a few weeks later Mr. Pullman telegraphed me to come to Chicago and he would assume the contract. I rolled up the contracts and started for Chicago. All that night I could scarcely sleep, thinking of the kindness of this great man. I was up early with my precious roll of contracts. I stood at the door of the car so I could be the first one out. And then I heard the newsboys calling out, "Extra! Extra! Full account of the death of George M. Pullman!" Words here are useless. I cannot picture my feelings. I loved him as if he had been my father. My contracts slipped to the ground. I reeled, but in some way managed to reach Mr. Weeks' office, and that is all I remember of that awful day. My great benefactor was gone; America had lost one of its greatest men. In my hands were contracts for millions, and I had not the scratch of a pen.

In a few days I reached Philadelphia and called around me our directors and leading stockholders. We agreed that the only way to get the two million dollars needed was to get the bondholders to turn back twenty-five per cent of their bonds and take fifty per cent of preferred stock. This would give us the needed money from the bond sales, and put the company in good financial shape. All at the meeting agreed to this, and Mr. Welch, Mr. Stotes-

bury and one or two other stockholders with Mr. deGeoijen and myself were appointed to act as a reorganization committee with no fees. As Mr. deGeoijen had placed all the bonds that were held in Europe, we were positive this could soon be done without a receiver. All the stockholders present were more than pleased with the plan for the refinancing of the road, and we felt sure that when Mr. deGeoijen arrived, the new securities could be issued within a few weeks, and everything brought to a successful conclusion.

When Mr. deGeoijen arrived, and before he reached Philadelphia, the committee had been formed, with Mr. John Lober Welch as chairman. A more capable man could not have been found in the United States. He had been interested in the road from the start, and had large holdings.

Mr. deGeoijen, as soon as he arrived, met men sent to influence him, who advised him it was better to have a New York man as chairman and advised him to have Ernest Thalmann. I objected to having anyone not a large stockholder a member of the reorganization board, but much to my regret, Mr. Welch resigned and Mr. Thalmann was elected chairman. The Equitable Trust Company of New York was appointed depository. When I started to get the bonds, it was agreed that no receivership was necessary as the new bonds could be issued soon, the debts paid and a good cash surplus left in the company's treasury. Mr. deGeoijen offered to take

enough bonds, when issued, to pay the debts of the road. Day by day I went out securing deposits of bonds and shares, but I found that Mr. Thalmann's name was a detriment.

I was called West and while there, awoke one morning to find that Mr. Thalmann had forced a receivership at midnight on a small printing bill. As I stated before, all debts of any amount were owned by Mr. deGeoijen, and I was amazed at this breach of faith. I took the next train for New York, and in Chicago found in a broker's office a telegram from Thalmann advising selling our stock short. The stock had already gone down a number of points. I pocketed the wire from the broker and left for New York.

I at once went to see Mr. Thalmann, and said to him: "How dare you ask for a receiver when a receiver was not needed, when we had all agreed there should be none, as Mr. deGeoijen was carrying all the debts?"

Mr. Thalmann closed the door and said, "Stilwell, I did it to force the stock down because I want a large interest in the road. Mr. deGeoijen tells me that you have made practically nothing out of your work. Now here is your chance. Take this report and show it to the stockholders. They will at once sell their bonds and shares, and I will carry you on the books for a million dollars of stocks or bonds. This is a great chance for you, so don't be a fool."

I read the report, all a falsehood—a base mis-

representation of the road. I looked at him and said, "Mr. Thalmann, how dare you as chairman of the Protective Committee, with a promised fee of fifty thousand dollars for serving the stockholders, how dare you come to me, the president of the road, with such a suggestion? This report is got up to follow your receivership and rob the stockholders. I refuse to be your tool in this dirty work, and what is more, you never shall be Chairman, and never shall collect that fifty thousand dollar fee."

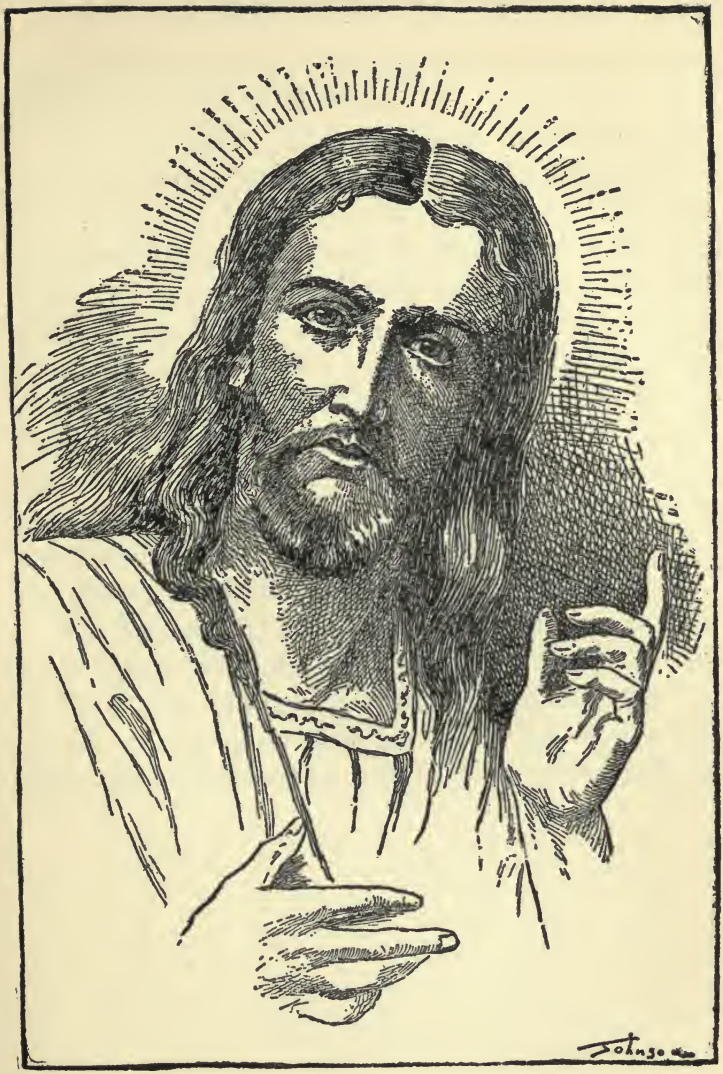
And he never did. When I told Mr. deGeoijen of this, he refused to deposit his eight million dollars of bonds, and I stopped all deposits, but there were three million dollars of bonds that I myself had got in before this episode. I was compelled to leave and go West on other important business connected with the receivership and during my absence a second committee was formed. After six weeks of failure to get bonds deposited without my aid, Mr. Shipley called me up by long-distance telephone, and said: "Stilwell, we want your help with the Reorganization Committee, and wish you would come on at once."

In a few days I called upon Mr. Shipley, taking with me Mr. William Waterall, whose counsel and advice I always sought and relied upon. Mr. Shipley said: "Mr. Stilwell, you are the only man who can do this work, and we want your help. Help us and when the road is reorganized, you shall be reinstated president, as you deserve to be." I

THE MESSAGE OF EASTER

I doubt if any incident in my life had more effect on me than this print in the Kansas City Journal of Easter morning, 1899. As I opened the paper I was astonished to find there had been appointed, without my knowledge, a receiver for the Kansas City, Pittsburg & Gulf Railroad (now the Kansas City Southern). I was amazed and indignant, but looking over at the right hand corner of the page, filled only with the receivership article, was this print, and as I saw this calm face, pointing up to the realms above matter and its discords, all indignation and resentment left me. The transformation was really startling.

Often in later years, amidst the stress of this earthly existence, I have seen this calm face still pointing upward, still peaceful, and it has time and time again nerved me on to greater triumphs over self and material conditions. I understand now as never before how the crusaders were enabled to endure hardships that were not possible except by the inspiration of the symbol of the cross blazoned upon their banners.



agreed and started in by depositing in a few days one million dollars of bonds.

The Guardian Trust Company, of which I was president, was owed four hundred and seventy-five thousand dollars by the Belt Line. It was promised that this would be paid, and when the plan was issued, this promise was embodied in the plan. This debt of four hundred and seventy-five thousand dollars was represented by notes of the Belt Line. As any number of the Guardian stockholders were owners of the Belt bonds and Southern bonds, all who understood that the Belt Line notes were being taken up deposited their bonds, and no plan could have succeeded that did not contemplate a settlement of this debt.

Mr. deGeoijen, being the largest holder of Belt Line bonds and shares, and also a large holder of the Trust Company stock, was satisfied by the justice of the plan and deposited his bonds and shares and promised his aid to this new committee.

CHAPTER VII

The Gates Offer

The year the Kansas City Southern was in the receiver's hands, and while the reorganization was under way, I was busy preparing for great development of the territory served by the road. We had been promised the payment of the claim of four hundred and seventy-five thousand dollars. I had been assured of the position of president of the reorganized road, and when re-elected I wished a strong trust company back of me in its development. I expected to inaugurate plans at Port Arthur that would have made it three times the size it is now.

So, to carry out these plans and provide for the future, and to extend the business, it was arranged to increase the capital from one million to two million, five hundred thousand dollars, and to open an office in Chicago. The increase was voted upon, and a large part taken by the stockholders. Later I went to Chicago to open the office there, and one day met my old St. Louis acquaintance, John Gates. He asked me what I was doing. I explained my plans to him, and he said: "I will take one hundred thousand dollars in the trust com-

pany." This he did, and interested other friends in the company. He asked me if I did not wish him to join me in the reorganization of the Southern. I told him I would be pleased to have him do so, and also to co-operate with me in the joining of the four hundred miles of road north of Kansas City that I was consolidating and connecting by one hundred and fifteen miles of new construction. These roads connected up Omaha, Quincy and St. Louis with Kansas City.

Mr. Gates bought a large interest in these consolidated roads, and also a considerable holding of bonds and shares of the Southern, depositing them with the Reorganization Committee. Shortly after this, Mr. Gates wished me to have the Philadelphia Reorganization Committee increased, and himself and one or two friends elected on the Committee. We all went to Philadelphia to meet Messrs. Welch, Waterall and others. They at first objected, but as I had been such a help to the Committee they acquiesced; the Board was increased and Mr. Gates and his friends were elected as members. I little thought this move would help in losing me the road. To please Mr. Gates I appointed a friend of his, Mr. Brimson, who was manager of the Northern roads. He was a very capable man—in fact, one of the best men ever connected with me, and, best of all, he was as honorable a man as I ever met. The association was most agreeable. Mr. Brimson was building up the

business of their roads. They had a very fair future, and were valuable as connections for the Southern road.

Mr. Gates one day suggested that I take my car and he and some friends would go to Port Arthur with me. This we did. They were more than pleased at the great business the road was doing, and their amazement at the magnitude and perfection of the land-locked harbor they could hardly express in words.

Messrs. Gates and Elwood bought lots on the lake front and afterwards built very expensive homes there.

That night, at the hotel, Mr. Gates made a speech recounting my wonderful work, stating that he was glad to be associated with me, and that the people of Port Arthur could be assured I would be president of the road when reorganized. On the trip back I became better acquainted with Mr. Gates. He was on this trip taking steps to depress the stock of the Steel and Wire Company by stopping the mills when the company had great orders, and thereby make an additional fortune again at the stockholders' expense. I only got fragmentary remarks as Messrs. Gates and Elwood talked this over, but my impression was that Mr. Elwood was doing all in his power to persuade Mr. Gates not to send out this order. This destructive work of stockholders' equities and the newspaper comments afterwards filled me with fear regarding

Mr. Gates' business principles, and I did not from that time enjoy his companionship as I had in the past. My fears were more than justified. One day when I was in Chicago at three o'clock I received a telephone call from Mr. Gates' secretary. He said Mr. Gates wished me to see him at five o'clock at his office. Somehow I had the presentiment of a coming battle.

I called. I did not see him at once, but a little after five o'clock I was asked into his room. There was only one electric light burning, and that was turned full on my face, while Mr. Gates sat in the shadow.

He said: "Stilwell, do you want to make some big money? I want to make you rich."

"Gates," I replied, "any honest way that I can make money, I shall be very glad to accept."

He said: "Stilwell, your principles make me sick. I am after the stuff, and everybody knows it. Now, I am going tonight by the Alton special train to St. Louis. At two o'clock a receiver will be appointed for all four of our Northern roads. I want you to go with me. You shall be the receiver. Then you go to these bondholders of the Omaha and St. Louis road and the Quincy road, and tell them there is no future for the road. You know them all, as you got them to accept your plan of reorganization. They will do what you say and will accept any old price. I will supply the money, and we will divide the profits."

"Mr. Gates," I exclaimed, "how dare you suggest such a thing! We have over three hundred thousand dollars in the treasury now, and this, Mr. Brimson says, is all we need to bring the roads up to fair condition. Why a receiver at two o'clock in the morning if it is an honest need?"

"Stilwell," he said, "you are a fool. Who said it was an honest need? A receivership is to scare people out—that is what it is for. You are a fool if you do not accept. I can keep you from being re-elected president of the Southern. Do you wish to give up the presidency of this road, to also give up a big fee as receiver of the Northern roads, as well as the profit on the deal? Now, will you go or not? The time is up. Don't be a fool."

"Mr. Gates," I said, "you say the Judge will appoint a receiver at two o'clock. You must have it fixed."

He flew into a rage, pounded the desk, and said: "It is all fixed, and I did not let you know until too late to kick."

I said: "Gates, I can not and will not do it. I started life at twelve hundred a year, and would rather end it that way than make money as you suggest."

At two o'clock the next morning the receivership was granted. Gates joined forces with Thalmann and Harriman to keep me out of the Southern road as president. I did all in my power to keep

these bond and share holders from loss, and did prevent his making as much as he expected.

Kountz, Thalmann, Gates and Harriman I now had on the warpath after me, but I did not regret any of my refusals to don their several yokes, and I would today rather be the business exile I am than to own Archbold's millions, and expect here or hereafter to reap his harvest.

And I believe there are many young men, sons of rich men, who would prefer to have inherited less wealth, with an untarnished name. To illustrate this point, I quote the following from this morning's Minneapolis *Times-Herald:*

"MINNEAPOLIS SCORNS GATES' $1,000,000

"Minneapolis, Minn., Aug. 29.—Charles G. Gates left Minneapolis a very disappointed man. 'I am sore,' said Mr. Gates, 'and just now I shouldn't wonder if I decided to build in Seattle instead of Minneapolis.'

"Mr. Gates bought large holdings on Lake of the Isles boulevard, and planned to build his Minneapolis residence there. After Mr. Cogan had learned who was the real purchaser of the tract he withdrew from the contract. Gates had planned to spend $1,000,000."

CHAPTER VIII

My Resignation From the Guardian Trust Co.

Seeming clouds were now shaping fast in my business sky. Gates was furious at my telling people of his offer and my comments on the injustice of a court's promising a receiver before the case was laid before it. It appalled me that the bond and share holders in the road had no hearing and that only one side of the case was presented. Think of the great loss from a partnership of evil men, and the courts of the land used at two A. M. to wreck widows, orphans, and the helpless, merely to swell the coffers of the rich.

My talk was more than Gates could stand, and at the next meeting of the Guardian Trust Company, Mr. Gates' representative on the board told the directors that he believed the Trust Company had been used as a private snap by me, and that if I was not its president, auditors would be able to prove his statement. As the board was a little inclined toward Gates, I, the second day after the meeting, resigned as president of the company. The papers now stated that Stilwell would not be re-elected as president of the Southern; that it was insisted a railroad man must occupy the place.

Oh, if the world only had the real reason! I had refused to be a crook. I had refused to surrender the road to Harriman (the details of which I will not reveal in this book as it involves names and trickery which under no circumstances would I reveal now.)

I had refused to give Kountz a million for land which no one before or since has wanted.

I had refused to help Thalmann collect fifty thousand dollars as Chairman of a so-called *Stockholders' Protective Committee,* and at the same time allow him to sandbag the people he was paid to represent.

I had refused to help Gates in his personal attempts to sandbag others.

Now I was out of my railroads. All of my work in making the reorganization plan operative was to come to naught; all the money spent by me, personally, in the reorganization was lost.

I was out of the trust company whose president for thirteen years I had been, but I was in the prime of life and had been able to resist as many temptations as ever came one man's way, and I had left, as I have now, the greatest asset on earth, *faith in myself.*

CHAPTER IX

What an Expert Can Say

I shall try to let my readers see how far so-called railroad experts can go in depreciating a property when they are ordered to do so by the Money Trust, who will, if they disobey, force them out of their positions. The hold of the Money Trust is especially strong because when one great interest discharges a man, none of the others would dare to take him up, so he must either do as requested or find some other occupation, or leave the United States.

Now I will give you some extracts from H. van den Berg's report on the present Kansas City Southern, then called the Kansas City, Pittsburg & Gulf Railroad. When you think of the great success the Kansas City Southern road has been, and is today; when you think that it ranks with the great railroads of the land in earnings per mile; when you see the success Port Arthur has made, and when you read the extracts from the report, you will see to what depths these experts will go to serve their masters. And when you in the future may read reports on the possibilities of the Orient Railroad, then remember the mis-

leading report of this man, who was Traffic Manager of the great Louisville & Nashville Railroad. You may be saved from being fooled, as some of my stockholders were by this report.

But now as we see how false this man's report was, how he speaks of the road as a "swindle of gigantic proportions," think of me struggling to build this great road, to develop my beloved Kansas City, and finding this report in English, Dutch and German wherever I went to sell our bonds and shares. Why, it halted our work six months, and yet it was only a pack of lies. But a pack of lies with a great name attached to it can do great harm. A lie can go a league while Truth is putting on its boots.

To my friends who understand the success of the road and its territory, these extracts from van den Berg's report will prove of interest:

> "I have completed my investigation, and I now reiterate my previous statement, viz., these enterprises are 'swindles of gigantic proportions.' Whether premeditated or unintentional, due to overconfidence honestly based on the part of the men fathering these schemes, is not material at this time." (Pages 4 and 5.)

With this introduction, Mr. van den Berg goes on to discuss the various points:

> "Outside of grain elevators, to which I refer later, the road does not reach packing houses, warehouses, or other industries of importance

that are not reached by the railroads themselves, or by the Kansas City Belt Railway, except that it reaches exclusively the plant of the 'Indian Rice Milling Company,' which is bankrupt and not in operation. On the other hand, these various railroads and the Kansas City Belt Railway reach packing houses and many other industries that are not reached by this road. Stress is laid upon track connection with the packing houses. That line reaches the packing houses of Fowler and Armour, but the tracks do not run up to the leading platforms, and the road does not handle the shipments of either. It also reaches the packing houses of Schwarzchild & Sulzberger and does handle their business at present at half the rate charged by the Kansas City Belt Railway, i. e., $1.00 per car; $2.00 per car is the customary charge." (Pages 15 and 16.)

With what wonderful detail Mr. Van den Berg goes into the great difficulty with which the road could extract one car of meat or packing house product from these packing houses. And then the ones we did reach were burned down, or we did not reach the proper platform. The truth is the first month we handled for Armour alone as much as one trainload of by-products for Amsterdam, and we had in each ship that sailed from Port Arthur at least a trainload of freight from some packing house.

"The K. C., P. & G. R. R. proper does not

reach any important grain producing section, nor has it, to any material extent, and for practical purposes, access to the states of Kansas and Nebraska." (Page 31.)

As I read this comment of Mr. van den Berg's, I think of the first months after the building of the road, when I was threatened day after day with law suits because I could not furnish cars. Within ninety days after the completion of the road, often five trainloads of grain would go south in one day. The seats on the Kansas City Stock Exchange went from fifty dollars to thirty-six hundred. Concerning Port Arthur he says:

"I enclose a United States Government chart of the Coast of Texas from Sabine Pass westward, corrected up to October 14, 1896. Port Arthur is not located on the Gulf, but about twelve miles, by water, north of Sabine City, on the west shore of Sabine Lake. But for the bar (according to the chart, ten feet of water), Sabine Pass may properly be termed a deep-water harbor. The recent dredging of Sabine Pass, the dredge material being used in the construction of jetties, it is believed will not only keep the channel open, but materially increase the depth of water on the bar. This I think is true, but whether or not, from the northern end of the dredged channel of Sabine Pass harbor the distance to Port Arthur is about seven miles. For this distance the depth of water varies from

one to five feet, and this will not be increased by the channel that has been dredged in Sabine Pass harbor. To procure a depth of water at Port Arthur it will be necessary to dredge a channel from that point to the end of the Sabine Pass channel. A conservative estimate made by a competent engineer places the cost at not less than $1,400,000; and this engineer also expresses the opinion that the improvement may not then be permanent; in other words, that the channel may fill up, in which event frequent dredging would have to be done. The bottom of Sabine Lake is a few feet of soft material on top, under which the substance is pipe clay." (Page 21.)

Regarding Port Arthur, you will see by my chapter on Port Arthur what an enormous success this harbor has been. Land-locked and storm-proof, when the great storm reached Galveston, the ships that could reach this canal rode in safety. The Government has been so impressed with the importance of this work that it has not only agreed to maintain it free ninety-nine years, but has extended it along the coast to connect with the Natchez River.

"I shall now proceed to discuss the points made by Mr. Stilwell in his pamphlet, and for convenience I have numbered the pages of this pamphlet.

"(1) It is claimed 'The Kansas City, Pittsburg & Gulf Road is the shortest line to deep

water, hence has every advantage possessed by any deep water route, and has the greater advantage of being the shortest line to all the deep water ports, viz., New Orleans, Sabine Pass, and Galveston. The Kansas City, Pittsburg & Gulf, besides being the shortest line to the ports mentioned, reaches two more ports than any road in the West by means of its connections at Shreveport and Beaumont.'

"The statements are untrue; and even if they were true, the reasoning in arriving at the advantages claimed for the Kansas City, Pittsburg & Gulf Road is faulty. In dealing with this feature, Mr. Stilwell can have in view no traffic other than export, for deep water is not essential to control traffic in and from the ports proper.

'The advertised distance of the Kansas City, Pittsburg & Gulf R. R. from Kansas City to Port Arthur, its advertised terminal, is 760 miles. To Sabine Pass the distance would be about twelve or fifteen miles greater; but as I have already indicated, neither Port Arthur nor Sabine Pass is at present a deep water port. Assuming Sabine Pass with be a deep water port and the K. C., P. & G. R. R. will make that point, instead of Port Arthur, its terminus, success in its attempts to handle export traffic through that port is far remote. The water frontage at Sabine Pass is owned by bankers in this country, naturally with the intent to, if possible,

realize an income. To accomplish this, wharfage and other charges must be assessed, and this of itself is an embargo, whether it is assessed against ships or cargoes or absorbed by the rail line to the port. In the latter case, owing to competitive rates in effect, competitive not only because of competition as between two or more lines to the same port, but also competitive because of competition between all lines leading to all the ports on the American continent, except ports on the Pacific coast, the traffic would be wholly unremunerative to the inland carrier. It may be suggested that the K. C., P. & G. R. R. may relieve itself of this embargo by acquiring Sabine Pass water frontage by purchase. As will appear later, the investment of this additional capital would be throwing good money after bad, as would be the expenditure of money in an attempt to secure deep water at Port Arthur. It being impracticable to export through Port Arthur or Sabine Pass. . . ." (Pages 21, 22 and 23.)

From what Mr. van den Berg says, no road on earth would be justified in having a deep water outlet, since some one must be paid for the property.

"(2) It is claimed 'The road reaches more natural freight-producing regions than any other road of *equal* length in the West, including coal, hardwood, long and short leaf pine, lead and zinc.'

"There is nothing to warrant the assertion, and it is misleading. If it were true, it is of no moment unless *all* of the products can be marketed. The Kansas City, Pittsburg & Gulf reaches a few of the less important markets reached by lines traversing corresponding territory, viz., the Missouri, Kansas & Texas R. R., the Missouri Pacific R. R., the Atchison, the Kansas City, Fort Scott & Memphis, etc., on which roads the commodities (coal and lumber) named by Mr. Stilwell are produced, and I *do* know they have *not* been successful in finding a market for all that is produced on their lines, nothwithstanding their local territory (and to which the K. C., P. & G. is not likely to be given access), is much greater than that of the K. C., P. & G. R. R." (Page 26.)

"The K. C., P. & G. R. R. has no local consuming points of importance—about the most important is Siloam Springs, Ark., 2,198 inhabitants. As to the number of inhabitants at the various points mentioned, the figures were taken from the United States Tenth Census Report, the latest published." (Page 28.)

It is rather unjust that Mr. van den Berg should give the census report of Siloam Springs, one of the smallest cities on the road, and not mention Pittsburg, Kansas; Joplin, Missouri; Fort Smith, Arkansas; Texarkana, Texas, and Shreveport, Louisiana, all of them from five to ten times larger

than Siloam Springs.

"*Long Leaf Pine.* The K. C., P. & G. road will reach a large and valuable long leaf pine territory. The difficulty is to find a market. Their market will be almost wholly confined to points on their own line, as all of their northern and southern connections reach, with their own rails, either yellow pine or white pine territories, and naturally will do everything they legally can to protect the mills on their own lines and shut out lumber from foreign lines. If at all possible, the K. C., P. & G. will necessarily encounter great difficulty in marketing their own lumber beyond their own lines." (Page 30.)

How amusing and misleading this statement is regarding the long leaf pine business, and Mr. van den Berg must have known it was so when he made it. The product of the forests on the Kansas City Southern is about fifty per cent of its business, and the business of the long leaf pine belt is daily supplied by numerous mills, and the output of these mills is shipped as far as Portland, Maine, and also exported to all over Europe. This is what I claimed would be done, and this is what happened.

"The character of the territory reached and markets served by the Iron Mountain, Chicago & Alton and Illinois Central is so well known that a comparison with that of the K. C., P. & G. is obviously absurd, and any comments from me are unnecessary." (Page 32.)

What I said—that the Kansas City Southern would some day earn as much as the Missouri Pacific, Chicago & Alton and the Illinois Central—has always been borne out by facts, except that the Kansas City Southern earns about five thousand dollars more a mile per year than the Missouri Pacific, and its earnings are up in the Illinois and Alton class per mile. And any one who knows the great success of this territory and then reads Mr. van den Berg's statement here will wonder how any man who regarded his name could sink to such depths.

CHAPTER X

The Testimonial Dinner

After my resignation from the Guardian Trust Company in January, I made up my mind to take a few months' rest, and with Mrs. Stilwell went to Old Point Comfort. I afterwards returned to Kansas City to be with Dr. Woods, Mr. Rule and other friends and talk over the future. The day before I arrived I had designed the Orient Road, but told no one of it except Mrs. Stilwell and Dr. Woods. Among my friends in Kansas City was Mr. A. F. Nathan, manager of one of the large packing houses. He went to see a number of my friends, and the outcome was a banquet at the Midland Hotel, February eleventh, nineteen hundred, where I was presented with a silver loving cup.

It was after twelve when my time came to speak. There had been wonderful speeches: Father Dalton, the leading Jewish rabbi, the leading Presbyterian minister, leading business men from all trades, had all told of my work for Kansas City and the upbuilding of the South; then came the loving cup. What a happy night it was for me! How it strengthened me in the determination that

I would give to Kansas City one more great road. And had it not been for these financial cannibals and these respectable scoundrels, Kansas City would long ago have had that road.

I arose, thanked the dear friends for their kind words, and told them there was no complaint from me. I had built a great terminal road and a great road south; I had lost it, but it was there for mankind; as mankind and the world had won, and as I was part of the world, I therefore had also won. "But," I said, "my friends, I brought the Gulf of Mexico one hundred and fourteen miles nearer Kansas City. Now I am going to build a new road and bring the Pacific four hundred miles nearer." They looked at me in wonder. They thought they had come to a funeral, and they found a wedding. But on the way home that night a number of my hosts, who, I am afraid, thought my great losses had affected my mind, asked how I could bring the Pacific ocean four hundred miles nearer Kansas City. A glance at the map would have explained it.

The next day the Kansas City papers were full; the new road and the idea was the property of the world.

I wish here to thank Mr. Nathan and all the dear friends at that dinner. It did a world of good for a man who had fought a fight for honor in business —a fight for the understanding that a trust was not a private snap.

CHAPTER XI

The Birth of the Orient Road

The next morning after the testimonial dinner I called on my friends in the Bank of Commerce—Dr. Woods and the late cashier, Church White, who had invested with me in the Kansas City Southern and had netted between two hundred and three hundred per cent profit. Church White told me that had it not been for his profits on the investment in the Kansas City Southern he never would have had any money to have retired on. The meeting in the bank that morning with Dr. Woods, Mr. Rule and the other directors was in reality the birth of the Kansas City, Mexico & Orient Road.

I got a map of the United States and Mexico, and Dr. Woods and the other directors went over the idea of the railroad with great interest. I told them that President Diaz was very friendly and that he had mentioned to D. J. Haff that he appreciated the splendid service I had given to the East Coast of Mexico by the steamship line of which I was president (before the receivership of the Southern road), that had operated between Port Arthur and Progreso, stopping at Tampico and Vera Cruz. He told Mr. Haff that any time I wished his help in Mexico he would do all in his power to aid me.

I explained to Dr. Woods and the directors that it was useless for me to think or brood over my loss of the Guardian Trust Company or the Kansas City Southern; that I was yet a young man, and that I felt sure that this new railroad would add such an empire to the trade of Kansas City that I would in time be more than satisfied that the other railroad had been taken from me. From that day I never talked over the loss of the Southern Railroad to any one, nor allowed any one to attempt to interest me in conversing on this subject.

Dr. Woods said: "Well, Stilwell, we have made good money on the old railroad, and there is no reason in the world why we should not all co-operate with you in the new road, and I certainly want to do everything I can to bring to Kansas City such an immense aid in the upbuilding of the city as this new railroad you have designed will be for our town. You say that you expect to leave tomorrow with Mrs. Stilwell for Mexico. Go down there, and when you come back we will give you five hundred thousand dollars in subscriptions among your friends here in the bank, of which I myself will take a good share."

The next day after this interview, which meant so much to me, I left for Chihuahua and the City of Mexico. Before I left, I heard that the auditors were busy in the Guardian Trust Company hunting for my crooked work, so that they could expose

me. But this did not worry me. As I had never done any crooked work, my sleep was undisturbed by the fact that they were looking for it.

After a two and a half days' ride, Mrs. Stilwell and I arrived at Chihuahua and the Palace Hotel. I will not attempt to describe the room which was assigned us in this hotel. Words fail me. All I can say is that Mrs. Stilwell was as brave as she always is, and accepted as she always does, with a smile, any seeming misfortune. That perpetual sunshine of hers has helped me many days when life would not have been worth the living without it.

The next day I called on one of the great men of Mexico, Enrique C. Creel, president of the Bank of Minero, afterwards Governor of Chihuahua, later Ambassador to the United States, and afterwards Secretary of State. Mr. Creel is a fine executive and every inch a gentleman. We have been great friends from that day to this, and I hope we will be until the end of time. It is impossible for me to express my appreciation of Mr. Creel. I hope some day to see him President of Mexico, and as President of Mexico I can assure the people of that Republic they would have one of the best governments possible and prosperity would follow every day of Mr. Creel's administration; the greatest confidence would be inspired in that Republic, and Mexico would have a wonderful era of prosperity.

I had a long talk with Mr. Creel and explained to him the plan of the great railroad that I hoped to build. He agreed with me that he knew of no railroad enterprise in Mexico that could be a greater success than this; that it had been the dream of his life, and that his connection with the Chihuahua & Pacific had only been in the hope that this railroad would eventually reach the Pacific. He told me of the wealth of the Sierra Madres in timber, of the millions of tons of ore on the dump heaps left there by the ancients (one dump heap I had assayed ran four hundred and ten thousand tons of ore of eleven dollars value, and this value above ground). Governor Creel used this illustration in our interview. He said: "If all of Mexico was a desert, it would pay to build the railroad for the Pacific business. If there was a wall at the Pacific and no business could ever leave that port, it would pay to build the railroad for the great local business." And I am positive, after years of study of the territory, that he was right.

Mr. Creel, the second day that I was in Chihuahua, agreed to become one of the vice-presidents of the road, and he promised to come to the City of Mexico in a few days and help me with President Diaz in any way that he could.

We left for the City of Mexico, and I found to my great surprise that President Diaz knew I was coming, and had one of his family to meet me at the hotel to take me to the palace for an interview.

I shall never forget that wonderful interview. What a man! He was the most wonderful man I ever met in my life, and words cannot describe my years of business relations with him. His great friendship is one of the things that I love to dwell upon. How he looked me over! I thought I could feel his eyes reaching into my brain and looking over its cells to see just what kind of a brain it was. He had such a piercing look that you wondered if he could see your back hair. I must have passed muster at the first interview, for he afterwards said he was my friend before I had spoken a word. And what a friend he was!

Wall Street bombarded him. He told me after the concession was granted that he had thirty letters in thirty days telling him I could never build the road, and telling him that I was not a man to trust. Think of such a system! What had I ever done to justify such treatment, except develop my beloved city and the Golden West? What had I ever done but bring in panic years the gold of Europe to our land? I had built great railroads, formed great companies, given employment to thousands during panic years, added millions to the value of Kansas, Missouri, Arkansas, Texas and Louisiana land and property, had built a great harbor, financed the operations of two fleets of steamers, and increased our export and import business. Yet the President of Mexico was daily bombarded in an effort to undermine his confidence in

me, a man who had only lived a constructive life, a man who in other nations would have been honored by titles and decorations. But in a nation where in times of panic they destroyed a number of solvent banks, as Samuel Untermeyer says, what else could be expected?

President Diaz went over my maps and plans with great interest. He told me that the building of this railroad and the opening up of the harbor of Topolobampo had been the great ambition of his life. He told me that twenty years before, President Grant had organized a company with this same object in view, and was president of it for two years, but that Mexico was too poor to grant a subsidy; that after President Grant resigned, ex-Secretary Windom had then taken the presidency of the enterprise, and had for seven years attempted to get financial aid and subsidy in the building of the line. He then told me that later Mr. Huntington for several years had attempted to find a line over the mountains. He said: "It has the greatest value as a transcontinental railroad. Humboldt has visited this section where you intend to put this railroad, Senor Stilwell, and he pronounced it the treasure-house of the world." I was thrilled by the story of other men who had seen this line as I had. He then asked me what I desired from the Mexican Government. I told him that I wanted national and federal aid that would equal three millions of dollars or five thou-

sand dollars a mile. He said that he would request the State of Chihuahua to give us six hundred thousand dollars, and that a concession would be sent me the next day at eleven o'clock, and in that concession the Mexican Government would give us enough federal aid to equal about what I desired. As he promised, the next day at eleven o'clock the concession arrived.

During the interview, President Diaz told me that three or four years before, the railroad laws of Mexico had been amended, and that it was mentioned that no more subsidies could be granted without the aid of Congress, except for a railroad from Chihuahua to the Pacific, which was of such great importance that the President might grant it without the sanction of Congress. So bear this in mind: this project of mine had been considered of such great value to the Republic of Mexico that it had been specified in the railroad laws. They must have seen me coming from afar when they passed that law.

I asked President Diaz how it was that he had known that I was coming to Mexico. "Why," he said, "from the telegrams from the governors."

"What governors?" I asked. "I do not understand what you mean."

He was surprised that I did not know about it. He then brought a bunch of telegrams from the governors of the following states: Texas, Missouri, Kansas, Nebraska, Louisiana, and Iowa,

all telling of the wonderful work that I had done in the upbuilding of the West; also one from Assistant Secretary of State Ryan, who was in Topeka at that time. I had never before read such wonderfully complimentary telegrams. They were grand. President Diaz said: "Senor Stilwell, no man has ever come to Mexico with such an endorsement as you have in these telegrams. I will always do all in my power to aid you." And he always did. Now will the reader please contrast these messages of praise, from men who governed the territory which I had served, with the letters from the great financiers of New York which came to the President a few days later, warning him against me?

I was never able to find out who started these telegrams, but whoever did start them has my heartfelt thanks, and I have always believed, from my understanding of the great heart of W. A. Rule, who was always thinking of some way to help a friend, that he was the one who started this bombardment of respect.

The next day, as I stated before, the concession was in my hands, and I made the deposit with the government. The concession I had started for was mine.

Shortly after this I left the City of Mexico and returned to Kansas City to start building the railroad. I cannot describe the satisfaction with which I laid all of my documents before Dr. Woods and

Mr. Rule and the directors of the Bank of Commerce. The five hundred thousand dollars was subscribed at once to help start this work, and my subscription was on the same basis as that of any one else, I receiving no compensation whatever at that time for the ownership of the concession. Engineers were started out over the railroad, and the Kansas City, Mexico & Orient was really born.

Shortly after my arrival in Kansas City, a meeting was called of the directors of the Guardian Trust Company, to elect a president. As I was a director, I went to the meeting. Twenty-one of the directors out of twenty-four were present, as I now remember. Among them was my good friend, Mr. William Waterall, of whom I have spoken before. Mr. William S. Taylor, our secretary from Philadelphia, was there, one of my very loyal friends, and one who had in every way possible helped me get the securities of the Kansas City Southern together, and without whose help I probably never could have succeeded. He had been promised the position of treasurer in the Southern Railroad, when it was organized, but the promise was broken, as their promises to me had been.

After the reading of the last minutes of the Trust Company, Mr. Waterall said: "I have come a long way, and so has Mr. Barnes, and other directors, to hear this awful exposé of Mr. Stilwell's management. I believe we are all more anxious for that than anything, and as far as I

am concerned, as I say, that is what I came here for." The auditor's report was read. All books and documents had been found correct from the time the Company had started, but the Auditor reported that I had paid out eighteen hundred dollars a few weeks before I had resigned, without the Executive Committee's O K, which was not according to the company's by-laws.

I never shall forget the look on the faces of the directors when this report was read. I was sitting in the back part of the room and did not care to take any active part in the proceedings, although I was very anxious to hear all about the crooked work I had done.

Mr. Waterall said: "Do I understand, Mr. Secretary, that that is all?"

The secretary, who had read the report, said: "That is all, Mr. Waterall."

Mr. Waterall then jumped to his feet and said: "Of all the farces, this is the greatest. I move that we all re-elect Mr. Stilwell by a rising vote at once." This was done, and Mr. Waterall escorted me back to the chair of my great trust company. My salary was fixed at twenty thousand dollars a year, where it was before. I now was president of the Guardian Trust Company. I had been reinstated and vindicated; my new railroad was fairly launched, and my old trust company could now have the privilege of financing it. It seemed to me

as though the world was coming back again, after having been lost to me a few weeks before.

The trust company, as soon as I was re-elected, took on its old-time life, business commenced pouring in from all directions, and we were back again on a good dividend-earning basis in a few weeks.

CHAPTER XII

The First Important Step to Block the Orient Road

November 30, 1900, nine months and a half after the Orient Road was started, the St. Louis judge who had at two A. M. granted the receivership for the northern roads appointed Judge Black, of Kansas City, receiver for the Guardian Trust Company. For weeks we had been fighting this case, and also interesting people in the Orient Road; fighting to save my first child, the Guardian; fighting to give strength to my last creation, the Orient. Can you imagine such a fight as this?

The success of the receivership the Gates-Harriman-Thalmann crowd were positive would forever end my business life, so the fight lasted for weeks. This gave a great chance for newspaper notices to make my burdens with the new road still greater. These newspaper notices were sent to President Diaz and other friends in Mexico, and wherever they would have telling effect.

In Mexico the Guardian Trust Company had been made a legal company; that is, a concession had been granted for it to act legally as a trust company in the Republic of Mexico. It was the

first trust company from the United States to be given this power, and this meant much to the stockholders. But the Gates-Harriman-Thalmann crowd were positive this receivership would destroy my standing in that republic.

Before the application for a receiver for the Guardian Trust Company, the Orient Railroad was moving along well, considering the few months since its birth. From all parts of the United States people were subscribing, and we shortly had a million dollars in subscriptions. I had heard that Mr. Gates had told a friend of his that he would "break the Guardian, and as Stilwell was the largest holder in the Guardian Trust Company, this would break him." I had read in the papers, as I have before mentioned, that Mr. Harriman was to "handle me," and that the great "rate-cutter" was never to be allowed to be at the head of a transcontinental railroad, so the fight must be now to wreck the Guardian. As long as I had that company back of me, I had great power. The best way to accomplish their purpose was to apply for a receivership of the Guardian, and also to have the Reorganization Committee of the Kansas City Southern refuse to pay the four hundred and seventy-five thousand dollars, and in this way cripple the Guardian Trust Company and myself.

It did not seem possible that any such conspiracy could be carried out. All bonds and shares in the reorganization of the Kansas City Southern had

been deposited with the understanding that this debt should be paid. This agreement to pay had the names of Thalmann, Gates, Stillman, Harriman and others, and I could not understand that men with such responsible positions in the business world would repudiate a debt that had been openly acknowledged. Our company was solvent, it had paid every demand for thirteen years, it had few obligations, it had not accepted deposits, and it had a wonderful earning power. I little knew then the power of money in the courts, but I now understand how thousands of poor men will give up and accept any settlement that the rich man may impose upon them, as they know they cannot stand the constant drain of court costs.

These unprincipled men of the Reorganization Committee could not bear to see me again at the head of my trust company, with two million, one hundred thousand dollars paid-in capital and a good surplus. I now had valuable Mexican concessions; I had the friendship of the leading men in Mexico; I had the backing of the leading bankers of my home town; I had designed a railroad which would open up a new empire of wealth, and give to my beloved Kansas City a new short line railroad to the Pacific. But all of the rumors I had heard did come true. The application was filed by Gates and others for a receiver for the Guardian Trust Company. The Kansas City Southern also started a fake suit to recover the amount of bonus stocks

they had been given of the bond sales of the Belt Line and of the Port Arthur Channel and Dock Company and claimed that the four hundred and seventy-five thousand dollar debt was not a just and valid claim. The case was brought before the same judge who had granted the receivership for the Northern Railroad at two o'clock in the morning.

We were ably represented by Mr. T. L. Chadbourne, now of New York, Judge J. M'D. Trimble, of Kansas City, and J. E. McKieghan, of St. Louis. It was a strong, clean presentation of a clean case by able, painstaking men, but all during the trial I could see that the judge expected to grant a receivership no matter what the testimony was. We showed that the company was perfectly solvent, that we had two million, one hundred thousand dollars paid in, and ample surplus. We had a list of subscribers who were willing to take all the balance of our two million, five hundred thousand dollar stock at par.

On November 30, 1900, the receivership was granted. The decree of the court was that the company was solvent when the stock was sold, was now solvent, and therefore, Gates and others had no right to recover, but that the great holdings of real estate in the Exchange Building, which we now owned, the Lyceum Building, the Trust Company Building, and the Syndicate Building in Kansas City in connection with the Port Arthur Rice

Farm, were acts which our charter did not permit, as it said we could hold real estate as administrators, executors or assigns, but not otherwise.

Were the holding of real estate illegal, how easy to have given the company two years to have disposed of it, or we could have at once transferred it to a separate company and divided this stock as a dividend among the stockholders. But had the judge adopted this plan, Stilwell would not have been hurt. I am sure, in after years, Judge Thayer recognized the fact that he had been swayed in his judgment and used as an innocent tool to injure me. I understand he often expressed regret for this act.

It was supposed that this blow of a receivership would end the Kansas City, Mexico and Orient Railroad, but it was only the first step in a struggle which has lasted to this day even though the prominent men who started this fight have passed on. I will handle this subject more fully in the next chapter.

CHAPTER XIII

The Organization of the United States & Mexican Trust Co.

The morning of November 30, 1900, Judge Trimble came to my office and said, "Mr. Stilwell, you were correct. The unexpected has happened; the court has put the Guardian Trust Company in receivership and appointed Judge Black as receiver. It's a judicial mistake, but it's done."

I had been prepared for it and never left my chair until I had drawn up the prospectus of the United States & Mexican Trust Co. I headed the subscription paper for ten thousand dollars, and at once went to see my great friend, Dr. Woods. He subscribed and gave me the use of a desk near the door, and he and Mr. Rule helped me get subscribers all that day, and when evening came we had thirty-five subscribers. Telegrams and letters from far and near and cables from Europe in a few days gave me two hundred thousand dollars in subscriptions, and in a few weeks the company was started. At once it built up a good business, and has been a very successful company from that day to this. The contract for financing the road through the Guardian Trust Company was revoked and the new

trust company undertook this work. For a time it looked as if this blow might influence my work in Mexico, but when I next went to that republic I found my friends just as strong as ever, and the new trust company was legalized in that republic. An office was opened there that has been doing business ever since in that republic.

Judge Black, the receiver of the Guardian, started to liquidate the company. No more honest man ever lived, but he went in with his mind poisoned regarding me and expected to unearth any number of cases where I had enriched myself at the company's expense. He had no idea of the value of assets and had never had any business training. The first sale he made was a property in Texas for one hundred and forty-two thousand dollars. The purchaser of this within ninety days refused an offer that would have given him a profit of over five hundred thousand dollars.

The company owned thirty-eight thousand shares of the United States & British Columbia Mining Company's stock carried on the books at a dollar a share. These he sold for this price. That company has since paid in dividends on these thirty-eight thousand shares nearly five hundred thousand dollars, or nearly sixteen times the amount received from the sale.

The stock of the Western Union Land Company he sold for the price at which it was carried on the books, and sixty days later the dividends paid just

equaled the amount the stock brought. I then went and remonstrated with him for making these sales, and he said, "Stilwell, the granting of this receivership was a great mistake. I have had all the transactions of the company gone over from the day it was started, and I am positive that never before has a company had cleaner management than this company. It is honest to the core, and I want to apologize for the stand I took towards you from the start. I am a poor man. This pays me fifteen thousand dollars per year, but I shall at once give my finding to the court, and ask that the receiver be discharged." This he did, and the business was put back into the stockholders' hands, its business wrecked by an application for a receiver and its assets dissipated, and by as honest a man as ever lived. I never fail to tell of my appreciation of Judge Black. He did as well as he could with the light he had.

The company could not go back into business, as the lawsuit of the Southern did not permit of it. A few years later I was elected Chairman of the Board. Mr. Prescott, of Kansas City, has been nine years doing all in his power to force the Southern case to settlement, so that the company's long suffering stockholders can get the money due them. Oh! the years and years of waiting for Judge Phillips to act in this case! I doubt if any such travesty on justice has ever before occurred. How dare men like Harriman, Stillman, Gates,

Thalmann and others repudiate their printed promise to pay a debt, a promise given to all bond and share holders. The bonds and shares that gave them power and made their plan operative were deposited with this promise to pay made and the day set for payment after the members of the Reorganization Committee had approved of it.

But watch and see if again retributive justice does not, in the Kansas City Southern case, make this unjust delay cost the stockholders of this road five times what it would have cost them if the payment had been made according to the reorganization agreement.

Here I wish to make a prophecy, and in a few months you can see if I have read aright the handwriting on the wall.

Few stockholders of the Kansas City Southern are aware of the claim of the Guardian Trust Company. They are not aware of the nearness of the case to final verdict. That verdict if in favor of the Trust Company, as I expect it to be, will find the road less prepared to pay it than it was when the road was reorganized and the payment was due. The payment of this debt may cause the passing of a dividend. This in turn will cause the stock and bonds to be depressed and the total loss in market value will be five times or more the total of the debt. And the endeavor of the first directors to keep me from my own, to prevent me in my work of building the Orient road, may prove to be a

costly luxury for these innocent stockholders of the Kansas City Southern Railroad, whose directors went back on sacred promises in order to hinder and hurt the creator of the road for which they were security holders.

"The mills of God grind slowly but they grind exceeding small."

CHAPTER XIV

The Progress of the Orient Road

After the Guardian Trust Company was thrown into the hands of the receiver, I at once organized the United States & Mexican Trust Company, with Mr. E. E. Holmes as vice-president. This partially overcame the blow of the receivership, but it was a blow—as it was expected to be—and it is a wonder I was able to rise above it.

In the Orient road I had with me some new men, Mr. W. W. Sylvester and others, also Mr. N. S. Doran, the former auditor of the Kansas City Belt road, Mr. H. C. Orr and Mr. E. H. Shauffler, who were in the Southern road with me.

The board of directors of the Orient was composed of prominent men, and the first year the road moved along a fairly peaceful path, considering the awful blow that had been given it in endeavoring to shake confidence in me by the Guardian Trust fight.

A few months after the Guardian Trust Company receivership, I went to London to see some friends who had been interested with me in the Southern road, D. J. Neame, J. C. Taylor and Lewis Rendall, men without whose aid I fear my

task would have been hopeless. Mr. Neame and Mr. Rendall were the foundation of our English Finance Committee; and Mr. Taylor, a most competent man, became secretary. I spent six months in England forming the London Finance Committee and the Voting Trust, and before I returned to the United States I had interested with me every man in England, except two, who were interested with me in the Southern road. Never had any man better men back of him, all high-minded and honorable. My great desire was to bring honor to them and their name. How I struggled for the goal in anticipation of their "Well done, faithful servant!"

Had I worked for England and her colonies as I have for my country, honor and respect would have been my inheritance, and as I see the honor and co-operation my countrymen have received in Canada in developing that part of the British Empire, I wish that when I lost the Kansas City Southern I had at once gone to Canada and helped in its development and thus saved these financial cannibals from committing such crimes. Englishmen would never destroy a solvent trust company, with its hundreds of stockholders, for the sake of smashing one man. It is difficult for anyone outside of this system to understand how or why men will destroy solvent banks in a panic, as Untermeyer says they do. When the Barings failed, England put them on their feet and left them with their name still honored.

When in England the effort was made by New York bankers and a number of my friends to prevent my English friends from joining me in this new road, Mr. Walter Chinnery, a man of great influence, accepted the vice-chairmanship of the Finance Committee. This was an inestimable help to our company. Both Mr. Walter and Mr. Harry Chinnery have been of great help in combating these attacks. The firm of Foster & Braithwaite has also been a wonderful help in overcoming this New York bombardment, and words cannot express my gratitude for Mr. J. S. Braithwaite's work since he left this firm. At the same time I wish to express my regret that these "respectable scoundrels" have been the means of bringing to these good people such hours of worry over this enterprise.

In 1902 the work of grading was under way in Oklahoma, and the townsites of Carman and Fairview opened. The lot sales in both places were a great success.

The first rail was laid east of Chihuahua, Mexico, March 20, 1902. This was the banner year for the road.

In November, 1902, Mr. E. Dickinson resigned the position of general manager of the Union Pacific road, and accepted the position of vice-president and general manager of the Orient, and I am very thankful to Messrs. Odell and Dumont Clark for bringing this about. Mr. Dickinson is a

big, splendid, broad gauge, loyal man, with years of railroad experience which has been of untold benefit to the enterprise, and his ability and genial companionship have been of inestimable value to me. Mr. Dickinson had confidence that all of my time and energy was devoted to the winning of this great fight, and my confidence in him was boundless. Never during these ten years has he to my knowledge done one thing that any stockholder could with justice criticise. And to Mr. Dickinson and Mr. B. B. Thresher I owe endless gratitude for their support and assistance when the path looked very dark. Mr. Thresher was my most valuable help in the field. Others could not stand the strain of finding their work blocked day by day. But Mr. Thresher's great faith in the enterprise and his high regard for Mr. Dickinson and me kept him at his task.

In other countries people do not look on matters the same as they do in the United States. Here we have for years seen rich men slug anyone they wish and take any enterprise they covet. Then to cover their misdeeds, they have the impression given out by their willing tools that their victim was a poor business man anyway, and could not succeed. Yes, a poor business man! How good a farmer would you be if every day when you were cultivating corn you had one or two Indians endeavor to take you from your plow and scalp you? Would you be a good farmer? Could you succeed in culti-

vating corn and at the same time guard your scalp?

Notwithstanding any obituary notices sent out by these cannibals of finance, my business judgment was good, but my time for using that judgment was limited to the hours between the attacks of this battery of evil.

Take the court record of the tobacco and oil trusts. Think of the hundreds of our good American business men ruined. Take the record of the bloody trail of this business juggernaut car, a list of the crushed, with no way for them or their families ever to regain one cent they have been robbed of. Were they to go to court, before they could win a verdict for the losses caused by these unfair business methods, this system would drag out the trial for years and cost them, as in the Guardian case, more than their original loss.

After Mr. Dickinson came with us, we solved the problem of building the line over the Sierra Madre Mountains of Mexico, and graded and finished this section. We extended the track from Wichita to near Fort Stockton. We built east of Chihuahua eighty-one miles. We built in from Topolampo eighty-one miles. Cities sprang up rapidly. The population of Sweetwater and San Angelo doubled and trebled. When the road went into receivership, it was at least sixty per cent to seventy per cent finished. The last two years we had grown very tired of the opposition. We had also suffered from crop failures for three years. The new territory

and towns we had started, in place of increasing, decreased. The drouth in 1910 was the greatest in twenty-five years. Had the crops been as good as they promised to be this year, our history would have been very different.

Then came the first Mexican insurrection, which prevented our Mexican trips. With the help of Mr. F. Hurdle, of our London Finance Committee, and the untiring work of Mr. Thresher, we, in connection with the London office, secured subscriptions for three million dollars of the bonds. This, with the bond sales we could make while this work was under way, we were positive would carry us to Alpine, Texas, and place the road on a safe basis, as it then looked as if the Mexican trouble would soon be over, and we would be able to sell ample bonds during the year to push the work. Soon our friends in London closed the five million dollar underwriting in Paris. We saw our task of finishing the railroad to Chihuahua would soon be an accomplished fact, as this five millions would not only finish the road to Chihuahua, but also to Del Rio. The papers in London mentioned the placing of this underwriting in Paris. It was copied in New York papers and a few days afterwards the president of one of New York's leading banks and also the president of one of the New York trust companies, intimated to some of our directors that our five million dollar sale would never be completed. This some of our officers thought was only an idle

rumor, but it made a great impression on me. I knew the power of these people if they wished to exercise it. They did so wish, and no influence that could be brought to bear from London could overcome this New York opposition, and the needless receivership that I speak of in the next chapter was brought on.

What a wonderful people we should be, and what a wonderful nation we should be, if we were more kindly; if we understood that the success of one is the success of all; if in place of opposition of men who try to build up our nation, we had a few kindly acts and encouraging words!

It is needless for me to say to my stockholders and friends that there is probably nothing in this world that would give me greater pleasure than to finish the railroad into Kansas City, and connect to the Pacific, giving to the four thousand persons interested in our road the profits that are sure to come with the completion of the enterprise. To have been able to finish the railroad to the boundary of Texas, to have built there the great industrial city which I am sure could have been built, to bring this great blessing to the people of western Texas and the state of Texas, certainly would have been to me almost compensation enough for the designing and building of this railroad. But, my good friends in Texas, I did my level best, and I know you all believe it. The financial interests in New York decided that Stilwell and Dickinson must be defeated

and they have done all in their power to see that this was done. You were entitled to my work. I love your great state, and I much regret you should have been deprived of the help of these two men, who so much enjoyed working for Texas. The seeming government is Washington, but the real government is Wall Street. And you people of this great state, until matters change, are powerless to have any railroad built in Texas unless these men of Wall Street consent to allow it.

Before I finish my chapter, I want to picture to my readers the Orient road as I see it:

The Kansas City, Mexico & Orient Railroad is one of the greatest enterprises of today; it opens an empire of wealth; it opens one of the treasure houses of the world in the mines of Mexico. It will build a port that will rival any on the Pacific coast; it shortens the line across the continent; it makes a great short-cut to the west coast of Mexico, Central and South America. On the line of this road, when finished, there will be three smelting centers—the smelters now at Chihuahua, smelters at the border and a smelter at the coast. The lumber of the Sierra Madre Mountains will find a market as far north as northern Oklahoma. It will supply all the ties for western Texas. Along the line of the finished road will be great plants treating the ore from the dump heaps placed there in the years of long ago; along the road will be two or three cities which will equal Cripple Creek as mining centers.

The port of Topolampo will be one of the great cities of the Pacific; it will have its line of steamers to the Orient, Central and South America, New Zealand and Australia. The early vegetables, oranges, etc., which are one month earlier than those in California, will come in train loads to Chicago and eastern markets, and the one hundred miles of the Fertie River Valley, as rich as the valley of the Nile, will contribute great earnings to the road. The hundreds of thousands of acres of level land east of Chihuahua will be irrigated, and the cultivation of sugar beets and cotton furnish northern Mexico with all these products it can use.

The connections at Del Rio for the City of Mexico, at Chihuahua with the Mexican Central and the Mexican Northwestern, and the connections with the Southern Pacific of Mexico on the west coast, put the Orient into direct connection with all the important roads of northern Mexico. Its valuable contract for fixed minimum rates for ninety-nine years in Mexico, its freedom from snow and its low cost of operation on the six hundred miles in Mexico, give the road great strength. I am convinced that the road will, in two years after it is completed, if completed by people who wish to develop it, earn gross, eighty-five hundred dollars per mile, making net between five million and six million dollars per year. Within five years its earnings will be at least twelve thousand dollars per mile and its net earnings nearly ten million dollars per annum. (There

are any number of van den Bergs who will deride this, but if I happen to be president of the Orient, this is what the earnings will be.)

The future of the Orient road as a money-maker can be fairly estimated, but its blessings, when finished, to the territory it serves, cannot be measured in dollars. The wisdom of the idea has been passed on by some of the greatest minds of the railroad and financial world and by all the leading men of Mexico. Its wonderful strength when finished is its weakness, as it is so revolutionary in transportation possibilities that it has antagonized the billions invested in other roads. So there have been erected for its officers great hurdles to jump. Nature has combined with them in three crop failures; and panic and insurrections have added to the difficulties; and, yet, in the face of these seemingly insurmountable obstacles, nine hundred miles were constructed and over two hundred miles of grade were finished. And had not the banking interests of New York prevented the placing of the five million dollars of bonds in France, and had not the trouble in Mexico prevented further sales of bonds, there would have been no receivership and the officers could have finished the road. None of these conditions can be laid at our door; we honestly did the best in our power and achieved wonderful results in the face of conditions that would have caused others to give up long ago.

I leave the Orient road, if it is my destiny, having

done all in my power day by day. All the promotion bonds paid me by my contract I have used for the good of the road in hundreds of ways, as well as part of my salary. In addition, I have used thousands and thousands of dollars of my income from commissions paid me in lieu of salary from the Trust Company. I did wish to win in this fight; I did wish to gain fair compensation for my work. For such great work a man is entitled to have enough to retire on in comfort in the twilight of life. But I used all I received from the Orient outside of my living expenses in endeavoring to the best of my ability to save the enterprise. In the panic of 1907, I three times saved the road, during sixty days, and this cost me over eighty thousand dollars personally. I did not and do not begrudge it. I am sure that Mr. Dickinson and all around me in those dark days will bear testimony that I left no stone unturned and that no one could have done more to save the investors of the Orient road.

CHAPTER XV

The Obstructive Tactics

If there is one thing on earth I would like more than any other, it would be a glance over the cost incurred by the people opposing us. It would total up into the hundreds of thousands. I know the detective work, the repeated trips to Mexico to see President Diaz and have him cancel our concessions, the attorneys' fees in the Guardian Trust Company case that perhaps were guaranteed the Southern by these people, the hundreds and hundreds of cables; all this must have made a great bill they might never have been willing to assume had they thought Mr. Dickinson and I were such good fighters.

The persecution started with the deluge of letters to President Diaz when the concession was granted. This was followed by attempts by one of the leading railroads to get Dr. Woods to call my personal loans, also by its sending the treasurer of the Bank of Commerce and telling Dr. Woods that unless he and Mr. Rule at once resigned as directors of the Orient road, this railroad would remove their large account which the bank had had for years. It was no pleasant thing for the bank to give up this account; but it did. Telegrams from the officers

and directors of this railroad did not move Dr. Woods. He knew that I was a live asset for Kansas City and he was going to stand back of me, and he always did. What a staunch friend he was! Had I been his own son he could not have done more for me, and I love to think of his kindness and friendship.

In a few days I was amazed to find the difficulties that had surrounded me in the Southern were now being put in my way in this new road. We paralleled no other road. We could feed all roads. It is needless to take up the reader's time with the small details of this persecution. I read in a New York paper that Harriman had been delegated by the Wall Street interests to see that I was once for all removed from the railroad world. I could not quite understand this, as he was at that time chairman of my old road, but as I had not one mile of the new road graded, it looked as if he had me quite removed. Now, as I have told you in a preceding chapter, I was re-elected president of the Guardian Trust Company, but I did not then know what Untermeyer has since told us, "That in times of panic it destroyed a number of solvent banks." That they were heartless and merciless enough to destroy my trust company never entered my head. But you have read the history of all this devilish work in the chapter, "The First Step to Block the Orient Road."

When I went to London the first time in connec-

tion with this road, day after day people told me that I was being followed, and whenever I called on a friend to enlist him in the work, he would later be reached and warned that he had better not invest. When Mr. Taylor and I went to Scotland every move of ours was known and blocked.

Bankers and brokers were reached by Thalmann and Harriman connections and warned not to touch the investment. Mr. Thalmann told the manager of one of London's leading banks that I wrote him each week asking him to help me but he threw the letters in the waste basket.

Later, when Mr. Dickinson came with us in 1902, the late president of the American Smelter & Refining Company advised us to leave New York for a few days, as he said, "You are followed every place you go, and the people you see, like myself, warned not to invest in your road." That same day I called on a gentleman on upper Broadway. I had nothing to say regarding the road. It was a personal matter entirely, but he told me that within one hour he was called up by two banking houses and told not to invest with me.

When Mr. Dickinson and I went to close our steamship contract with The Hamburg-American Line, Mr. Ballin told us that he had within a day or two received two cables warning him not to deal with us. At last the obstacles were so great that we saw it was useless to try to interest people in the road unless we could take them over the prop-

erty. We must counteract statements made by different prominent people, such as that made by the president of a leading Western road to one of our stockholders, that the first third of the road was in competitive territory, that on the second third there was no business, and that the last third was all rocks. So, to combat these false statements we started the trips to Mexico, a needless expense, but necessary if we were to continue our work of building the road. By this plan we could interest people in our work so that this outside influence was less potent. Every one who saw the territory the road was to serve became a convert. It was not so easy for these "respectable scoundrels" to convince people by argument that we could never cross the continental divide of Mexico after we had taken them in trains over this part of the road. But soon after we started these trips, the system found ways of reaching even these people. On one trip nine men were thus reached by telegrams, en route or in Mexico. We gave up stopping at Kansas City, on account of so many of our guests being reached at this point. We often changed our itinerary and reversed our trip to throw these people off the track. No volume could recount the difficulties we had to encounter. A partner in a leading house of New York, a man whose name in connection with a lawsuit has often been in the newspapers, requested the privilege of going on one of the trips. I asked him if he intended to help me or did he want

to take the trip only to get acquainted with my English friends. He assured me his sole desire was to help Mr. Dickinson and me in our work. He was taken, and every kindness was shown him, but inside of a few months this man was in London meeting members of our London board and offering to subscribe for fifteen million notes, of which he said J. P. Morgan would take five million, provided I was eliminated from the road. This man, who had invited himself and promised to aid us!

Time after time we found malicious falsehoods were used. A director of the Liberty National Bank, a director in numerous trust companies and insurance companies, wrote to a director of our road advising him to sell his bonds, and stating he had sold his. It was found that this man had never owned a bond in our road, but he was making a great impression on our friends. I learned of the statement he had made and wrote and offered to pay personally ten thousand dollars to any charity he would name if he would prove he had ever owned one bond. He never answered the letter. This man was in reality a kindly man. Great pressure must have been brought to bear to have forced him to do such a thing.

This is only one example. All I can say is that every obstacle was put in our path that the cunning of unprincipled man could devise. This malicious work increased the cost of building the road and made half our time of no avail. No doubt had it

not been for this warfare, the road would at least be connected at Chihuahua, and operating, if not finished, into Kansas City.

Before I close this chapter, I wish to show how detectives and telephones were used. Two years ago I was invited one day at twelve o'clock to take lunch with one of New York's great merchants. At one o'clock we sat down, and as we were about to start on our oysters, a messenger brought my host a note which, after reading and tearing off the signature, he handed to me, saying it was from a leading banking house. The note advised him not to invest in any securities of the Orient road. Can you imagine quicker work than this?

One day this year I had lunch with a prominent manufacturer of New York. He was very much interested in our fight and agreed to find me a million dollars. At three o'clock his banker called him to the bank and told him if he had anything to do with me in a business way or socially his loans would be called.

Detectives and tapped telephones were continually used in this game of destruction.

CHAPTER XVI

From Out the Gloom

After ten years of legal waiting in the Guardian Trust matter, with all kinds of rumors that the mismanagement of this company would sooner or later come to light, Mr. D. J. Haff, one of Kansas City's leading attorneys, was brought by Chicago interests into the case. I wish to quote a letter written by him to me later.

It was unsolicited by me. All he said I was aware of; so were all of my stockholders and directors who knew me. But the others who did not know, waited years and years for the exposé that never will come, as there is nothing to expose where for fourteen years the president and officers followed the Golden Rule in all business transactions. And had it not been for the treachery of the Kansas City Reorganization Committee, with its Harriman, Gates, Thalmann and others, this company, today, would be one of the leading financial companies of the West.

"Law Offices
HAFF, MESERVY, GERMAN & MICHAELS
Suite 906 Commerce Bldg.
Kansas City, Mo.
December second,
Nineteen hundred and Eleven.

"In re Guardian Trust Matters.
File No. 2263.

"A. E. Stilwell, Esq.,
2600 Singer Building,
New York City, N. Y.

"My dear Mr. Stilwell:

"I am herewith sending you a copy of my brief in the case of the Guardian Trust Company vs. the Kansas City Southern Company in the United States Circuit Court of Appeals, and I wish you would kindly read it over carefully.

"I will say to you in this letter what I have said to several friends in this city since my study of the case, and that is that this enormous record of 35,000 pages, built up at the instance of and by the efforts of your enemies, in their attempt to find something with which to condemn your business conduct, is a most complete vindication of yourself and the Guardian Trust Company. Although it covered a period of several years, during which time not only the Guardian Trust Company was organized and built up to a great and powerful concern, but also many other enter-

prises promoted by yourself, through the medium of the trust company, including the Kansas City, Pittsburgh & Gulf Railroad Company, the Kansas City Suburban Belt Railway, the Port Arthur Channel and Dock Company, and many others, all of which were promoted by you and financed through the medium of the Trust Company, it is, nevertheless, a history of spotless dealings, and is, in fact, I believe, the cleanest business record that I have ever examined and one which will stand as a monument not only to your ability as an organizer and builder of great enterprises, but also to your integrity. I was particularly surprised at the small reward which you took for yourself personally in all cases, and also for the Trust Company, when it was entirely in your power to do what you pleased, and when, I believe, nine men out of ten, placed in the same position, would have been far less modest. I feel it my duty to say these things to you, and to express my opinion as a result of my study of this case. I may say to you that I was surprised, because after all the charges that have been made, I entertained the fear that a careful study of the case in its entirety might result in a different opinion, and I am very glad to be able to give you this testimonial.

"With kindest regards, I remain,

"Sincerely your friend,

"(Signed) D. J. Haff."

CHAPTER XVII

Blacklist and Ruin

As I said in the first chapter, this is not a record of business life in Russia. Had I been a crook, or had my business methods not been clean, I could understand what I shall now relate, and would accept it as my desert.

It does not matter that the Money Trust is back of great companies; it does not matter that these crimes of business ruination are committed by rich men; a crime is a crime no matter whether committed by rich or poor.

But notice how quick and prompt justice is if the perpetrators of crime are poor men; the whole machinery of justice of the government was used to convict the McNamaras and send them to jail for their destructive work. Yet business may be destroyed, thousands of stockholders ruined, men made to suffer agony, and nothing is done. No relief can be accorded them, for the reason, I fear, that Bryan mentioned: "The people in power know their creators."

Untermeyer says, "that in a panic they often destroy solvent banks that would have been saved under a proper system."

What a power! And I dare not remonstrate! I dare not say I do not like it! I dare not say that this is not the land of the free that our ancestors fought for!

It was no argument with Lincoln that the slaves were treated well by their masters; they were yet slaves. It was no argument with the world that only a few of the millions in Russia went to Siberia and suffered. There may be no one else in the United States who will suffer the injustice that I have suffered, but that is no argument for the continuance of such an evil power.

The people who steal chickens are tried by a jury; they can see the judge; they can have an attorney and introduce evidence. But when the Money Trust judges you guilty, puts you on the black list, you cannot see your accuser in person or be represented by counsel.

Had I been able to appear before the representatives of this power, had I been able to say, "Gentlemen, I beg your forgiveness for whatever I have done to displease you——

"Think of my record of construction work; think of the one million and a half days of work I gave the tie-cutters alone in shaping the ties on the new roads I built; think of nearly one hundred new cities I have created; think of the great harbor I have built; think of the fact that my orders for locomotives in 1896, which were the only new orders given to the Baldwin Locomotive Works, and the

new locomotives built by the Manchester Locomotive Works, were the only orders given in that panic year."

Now, could I have appeared before this Money Tribunal that makes or breaks by their orders American men and institutions ("In times of panic it often destroyed solvent banks," says Samuel Untermeyer), I might by recalling my work to their minds have prevented this sentence being passed upon me and my companions, and had they allowed me to be present, I might have thought it such an honor that I would have accepted their verdict and never have written this book, which I hope will help to change conditions and perhaps help elect Governor Wilson, who does not have to remember his creator, thanks to William Jennings Bryan.

Now, for my first knowledge of the sentence imposed upon me and mine: I had returned from Europe, and filled with remorse at the criticisms of my country in London and Paris papers, understanding full well the justice of it, I made up my mind to relate in a book the growing evils in the United States, in and out of Wall Street. So I wrote the book, "Confidence or National Suicide." It was well received and is now in its seventh edition.

A few weeks after it was published, I went to the American Exchange National Bank to renew a loan. I was always glad of any excuse to see Mr.

Dumont Clark. He was about the highest type of man in this country, as all who knew him will agree with me. He was just a big, grand, kindly man; one who made the day better for having met him. I sat down and told him my mission. When he took my hand in his and said, "Stilwell, I am the only man in all of New York who would loan you a cent," I said, "Well, Mr. Clark, I do not expect to ask any one else, but why?" He answered, "You have always been honest and straightforward in all your dealings; you have done business with me for fifteen years, but you are on the black list. No one is expected to dare loan you a cent, but I will and always will. The system knows that I do not agree with such methods. They are not proper, and I will not obey their dictates, and will grant you the renewal."

Think of my feelings! After years of constructive work for my nation, as great a work as accomplished by Cecil Rhodes for his nation,—his reward, honor and respect; mine, blacklist and ruin!

That night, what feelings of humiliation! The black list! The black list! I tried to let my thoughts revert to the thousands and thousands of homes that dotted the hillsides and plains of the West through my constructive work, and thus get consolation.

The United States & Mexican Trust Company had kept an account with the National Reserve Bank. We had a good balance there and owed

$40,000. Our balance averaged 50 per cent a few weeks before the incident, as their books will show. The president, Mr. Allison, telephoned me to come down to the bank for an interview, and I now give you that interview word for word:

He said, "Mr. Stilwell, you must pay the Trust Company loan."

"Why?" I asked. "The loan is not due, and you complimented me regarding our balance here."

"Yes, I know that," he answered, "but you must take up the loan."

Again I asked, "Why?"

"I will tell you in confidence," he answered. "You and your companies are to be ruined. Two of my directors are inside of the Standard Oil crowd and have found this out and told me, and you must take up the loan at once."

I then paid part of it and the rest was paid soon after. So now Mr. Clark had told me I was on the black list; now the president of the National Reserve Bank had told me that I and my companies were to be ruined. I suppose both referred to the same order. And this is the Land of the Free! I was sentenced by an unseen tribunal! Does it not make your blood boil? It does mine as I recall it. But remember, as Samuel Untermeyer says, "they often destroy solvent banks in times of panic."

Nothing else advanced the cause of freedom for the slaves so much as the book, "Uncle Tom's

Cabin," and I hope that this straightforward, plain story of my battle will be one blow in the fight to free the slaves of the Money Trust.

My fight is not against wealth, against banks or great business combinations. These are a part of the development of the day; but when wealth strangles competition, ruins men and enterprises, it is time to call a halt. We do not need to count the cost, for in crushing evil nothing is lost, but all is gained.

Let me give you an example of what I mean. Suppose that in one of our Western states there had lived and thrived for years a great band of outlaws who had defied the Government and were enabled by the judicious use of money to keep the officials of this Western state from interfering with them. For years they had grown rich. They had looted isolated mining companies, robbed them of all the cash they had on hand, and often destroyed the buildings. They had waylaid travelers, and had received annually large sums from people who did not wish to be molested and were willing to purchase immunity. During twenty years they had thus acquired great wealth. At last the United States Government takes up the case and sends a regiment of the Regulars to destroy this band of outlaws. These outlaws now notify the Government that they will disband. The leaders of the organization now move to New York City and this great wealth, which came from looting and destroy-

ing and taking from men their all, is now deposited in New York banks and trust companies, and these men are elected to the directorships of these institutions.

Do you suppose the people of the land would stand it? Do you suppose that out-of-town banks would dare to use the New York banks which had these ex-brigands and outlaws as directors? If such a thing occurred, it would mean a run on the bank that had dared use any of these New York banks or trust companies as their correspondents.

But let me give you here the findings of the United States Supreme Court, the unanimous opinion of the greatest, calmest tribunal of our land, quoted from the *Chicago Examiner,* August 31st, 1912:

"That the facts establish that the assailed combination took its birth in a purpose to unlawfully acquire wealth by opposing the public and destroying the just rights of others, and that ITS ENTIRE CAREER EXEMPLIFIES AN INEXORABLE CARRYING OUT OF SUCH WRONGFUL INTENTS, since, it is asserted, the pathway of the combination from the beginning to the time of the filing of the bill is marked with constant proofs of wrong inflicted upon the public and is strewn with the wrecks resulting from crushing out, without regard to law, the individual rights of others."

Now can any reader see any difference between

this imaginary band of brigands and this Standard Oil group? The above is the finding of our greatest court, and Samuel Untermeyer in his interview in the New York *World* of July 2nd says, in his summary of the Money Trust, that "in a panic it destroyed a number of solvent banks," but Mr. Archbold, the president of the Standard Oil Company, says in the investigation instituted against him in Washington that if the Directors of his Company had not opposed him, he would have contributed one hundred and fifty thousand dollars more to the Roosevelt fund, and compared the treatment they received for not doing this to treatment which would be accorded in darkest Abyssinia. Now this treatment which he refers to was the filing of the bill against the Standard Oil Company which brought the verdict I have just quoted.

Imagine a man so steeped in crime that he thinks the action against his company which brought the above verdict was only treatment which would be accorded in darkest Abyssinia! Do you think Captain Kidd could have any lower conception of right, or would have been versed in more kinds of devilment than these men who are thus indicted? Captain Kidd was a brave man. He took his life in his hands; these men did not.

The Supreme Court says in general in its verdict that this company destroyed the just rights of others, acquired wealth from oppression; that from the time of the starting of the corporation until the filing of the bill, its path was strewn with the

wrecks resulting from the crushing out without regard for law the individual rights of others. Add to this what Untermeyer says, then add to this the conception of Mr. Archbold, and then tell me if you think such men are fit to be directors of great banks and trust companies? Can men like these be entrusted with the use of billions of deposits of the people of our land?

Do you doubt that these Supreme-Court-convicted, self-confessed criminals would have objected in any way to being back of the plan to seize the Orient Railroad? Do you not think that these people who have so enriched themselves by taking from others, did not, for the sake of keeping their hands in the work of destruction they so well understood, start in to rob us of our road, as the easiest prey in the United States, since we were not backed by any of the great financial interests? The president of the National Reserve Bank, owing to what he heard regarding their plans for our destruction insisted upon our note being paid. It was the president of a great national bank in New York, called the "Standard Oil Bank," who told one of our directors that we never would get our money from our Paris bond sale. My financial persecution, the statement of the bank examiner in Washington, my knowledge of how the comptrollers walk out of their offices into high positions in New York, enable me to see how such work is easily possible for these jail-immune "respectable scoundrels."

CHAPTER XVIII

Fifteen Years of Objecting

"Senator Penrose makes an authoritative and very useful exposure of conditions thoroughly wrong in American politics. *He exposes to the thinking people of the nation the vicious mechanism of our party government, its alliances with organized money, its vital relations to privilege.* What reformers and the unpurchased press have been saying with more or less evidence, this arch-politician now verifies without shame, without apology, without any conception of the light it throws upon himself, his kind and the forces behind his candidate and his faction." (Chicago Tribune, August 24, 1912.)

From my first experience with the power of money to buy in the halls of Congress and in the courts, the right to slug, unmolested, American business and American business men, I have found that freedom from their attacks can only be purchased by enormous court cost that few could stand, and then only after a wait of years, as in my case and in the case of the Guardian Trust Company. I have had to wait from the time I was in the prime of manhood until now the snow is

creeping on my hair, waiting, waiting, waiting. As I breathed that pure Western air where men hardly know how to combat the power of evil, waiting for justice, seeing my stockholder friends pass to the great Unknown, still waiting, waiting for the scales of justice to move, and in the case of the Guardian Trust Company I am still waiting.

When I saw President McKinley desirous of helping me in the Port Arthur fight, but so helpless, hedged in as he was by the special interests that had bought immunity by helping to elect him, and expected him to deliver the goods, as he had accepted the help their money gave, I was appalled when I thought of that extra cost, of the price that I had to pay because I lived in a land where the right to do evil could be purchased by contributions to political parties, a power I did not have and which no power on earth could ever make me accept. I was happy that I could say: Never have I with knowledge done any man wrong. Never have I written any letter which would make anyone's burden greater. I always have, and do now, consider that all men are my brothers.

I have fought with this idea in view and shall until the end. Profit any other way I do not want. All this mad rush for millions is a mistake. The desire of a few to control and make slaves of the men who attempt big things is a crime. They never on earth would have been allowed to go as far as they have, had it not

been that people and parties that desire power were willing to bow at the feet of evil, which they think is a station on the road that leads to their desired goal. Then these great interests have so long been able to pay millions for the privilege of being personally unmolested in thwarting and defeating men like Moffat, myself, and others, that they really now think it a sacred duty of the people to bow to their wishes. I do not at all doubt that these people really think it was great impudence for Mr. Dickinson and myself to dare to build the Orient road.

Do you people of the West, do you people who love liberty, you whose ancestors fought for freedom from England, you who fought—or your ancestors did—to free the slaves, think I was right in believing this was the Land of the Free? Did I do right in thinking that U. S. stood for the United States, and not *us,* as these power-protected people think? For fifteen years I have protested with tongue and pen against this power, protested that it was criminal, that it was unjust, that we should be forced by unnatural conditions to see our work cost millions it would not have cost had it not been for this unrelenting power of destruction that made us frequently build forts to protect us from this power of evil, forts of protection that would be needless had we only natural conditions to meet. We were just men. We wanted *just* our dues, to give our stockholders just what

they expected. But there is small show for the just when the unjust are so powerful.

What sleepless nights, thinking of the attack from some new source, to return to Kansas City to attend to pressing matters down the road and receive telegrams the first day calling you back East to repair some damage done by this power of evil—all a needless expense, all needless worry, sapping your very life in the effort to do well what you understand how to do, but so thwarted and harassed that you can hardly do anything well, and must suffer criticism where there was no need, had not your hours and days been so taken up in endeavoring to protect your property from these financial cannibals that you had no time to do well the work you understood. All the time you have hopes that these merciless trackers will stop. You think perhaps the road will soon reach a stage where they will give up and let you alone, but it does not come. Their Ruin Department works night and day, and like the western cowboys who walk the wild horse down, they keep at it until you are tired out. Either they succeed in taking your enterprise from you by an unnecessary receivership brought on by their methods, or you give up life rather than see the work of your mind and hands taken from you.

I herewith give you part of an article, "Hunting the Wild Horse of the West," from the August number of the *Wide World.*

"Many strategies have been practiced in attempts to capture outlaw horses. One of the most novel methods—and almost ludicrous, at first thought—is to 'walk them down.' The scoffer would think it a joke of the season to say that a wild horse can be walked down by a slow, plodding man, when it cannot be run down by half-a-dozen of the swiftest saddle-horses of the country. It is the same paradox that the gold-hunters in Alaska testify to when they state that a man can carry a bigger pack than a horse, through long marches over the rough, hard trails.

"Two or more men work together in the walking-down game. Doubtless the wild horses consider it more or less of a joke at first, when they are startled by the approach of a strange-looking two-legged creature. They snort and throw up their heads, race a half-mile or more over the ridge and then settle down to feeding. But the strange figure soon appears again, always headed directly toward them, and always advancing, always slowly approaching. They snort and sniff, trot or gallop again over the ridge and again begin to feed. The black speck once more comes into sight, and grows distinct, and approaches, and threatens, and scares. This time the wild horses, with a growing sense of uneasiness, may dash out and race for several miles with

all the energy they would display if "jumped" by half-a-dozen wildly-whooping horsemen.

"It may be two hours by this time before the always-advancing foot-man comes in sight, he having been forced, perhaps, to follow the tracks of the animals for the last few miles through the thick, low junipers of the desert, where the horses feel themselves safe from every pursuit. If instinct did not keep the herd to a fairly compact and definite range, there might be complications in the plans of the 'walkers.' But even the wild horse cannot deny or get away from the domesticity in his blood. He loves his old haunts, the familiar trails, the fathomed watering-holes. Drive him away a hundred miles, two hundred miles, and he will always return. And he will, unlike the cow, come back by the straightest line, even though he may have been driven away by a circuitous road that would have bewildered a human being.

"So, when the short summer night comes, the walker who is on duty merely builds the last of a string of signal fires, and in an hour or so at the most his partner has caught him up with the pack-horse and the water-bottles. With a few hours' sleep the walker is again after the wild horses, surprising them almost before daylight and hours before they will have had all the grass and rest that they want. Of course, the two men can interchange duties at any time, for it may be

weeks before the leaders are tired out. After a time the eternally-following, pestering, tormenting walker will become to the wild-horse herd a haunting apparition. They will try by every means to shake off the spell, to hide themselves, to lose themselves in the trailless rock-piles or the ragged, deep canyons. But always the strange, hated, plodding walker finds them, and they must trot wearily on, though tired almost to death through loss of sleep and lack of food and water."

This is a good illustration of my case. They have been at it since I refused to do Kountz's bidding. They have pursued it year by year. But I still expect to live; I still expect to breath the free air, unmolested in honest endeavors.

CHAPTER XIX

What I Know

Note—This chapter, while devoted to the stockholders of the Orient road will also be of interest to my other readers.

To the Stockholders of the Orient Road:

If the play written and staged by these Financial Cannibals can be carried out act by act, you will be confronted with a great and needless loss. You will suffer, not only the loss of your investment, but also the great profit which would accrue to you if Mr. Dickinson and I could finish this road. And I can assure you that if I could still remain at the head of the road and secure twenty to twenty-five millions to complete it, your profits soon after its completion would be equal to all the gold mined in the United States in one year. These people oppressing us know this, otherwise they would not for years have hounded and thwarted Mr. Dickinson and me as they have. Either they fear that if this road were finished it would take from existing roads great earnings, and thus enrich you; or they fear the two men who finish this road would be

too powerful in western and national financial life, and this they desire to prevent.

If it is a group of men interested in transcontinental railroads who are doing this, I do not believe that J. P. Morgan or James J. Hill have anything to do with it, as I do not think either of these men would stoop to such methods. Mr. Allison told me the Standard Oil group was going to ruin me, and from the daily disclosures in the papers it cannot be difficult for anyone to believe that they are part of the group. When you think of the principles of these men, when you think that men with these principles are directors in leading banks in New York, when you think that men who, in a panic, destroyed a number of solvent banks, as Samuel Untermeyer says the Money Trust did, who wreck enterprises, who rob the government by false scales, by undervaluation of coffee, etc., and yet have remained on boards of great New York financial institutions, you can understand what a power for evil we have had to contend with. Had I wished to write this book two weeks ago, it would have been impossible; now the nation seems to be crying for freedom from these unjust conditions. Had I written this book two weeks ago and told you then what I am able to tell you now (thanks to Mr. Hearst and his great papers), you never would have believed it. I could not have told you then that Mr. Archbold was a *"respectable scoundrel,"*

but now I will herewith quote from the *American* the substantial proof.

How often have the words of this article been voiced by me! It is what for years I have thought of these Financial Cannibals; what for years I have said; what for years my friends have cautioned me against saying! But my day has come. The law of Retributive Justice never fails. Read what the *American* editorial says:

"It is probable that Archbold has corrupted so many men, has dealt in men's souls so long —that he has lost all moral sense of perception."

And there is no doubt in my mind that the section of the Money Trust that has been dealing with me, destroying my standing and credit, are all in this class with Archbold.

What an honor to have such men for enemies! Thank God my methods are repulsive to them!

But let me assure my readers that the day of Righteousness—Rightness—is near at hand. Soon the people will rise up. They will see to what extent the nation has been corrupted with money. They will see that out of each pay enevelope tribute has gone to these men the *American* calls *"respectable scoundrels."* Then watch the cleansing process! New York State and other states will have governors who will aid the government in uncovering conspiracies and the work of the Money Trust. New York banks will not be able to hold their de-

posits and keep *"respectable scoundrels"* on their boards. Clubs will renovate their membership, and honest men like Stuyvesant Fish and others who occupy important positions at the head of railroads will be able to retain their positions.

I herewith give you the scathing editorial from the *American,* of August 28, 1912, which by its exposés will, I know, change the history of the United States:

"Archbold, Respectable Scoundrel, as Pictured in His Own Testimony.

"It is a portrait not merely of himself but of the corporation—its methods, its morals and its purposes—which the testimony of John D. Archbold paints.

"He testifies that in the campaign of 1904 Cornelius N. Bliss, then treasurer for the Roosevelt campaign committee, came to him and urged him to contribute $125,000. *It was agreed that Senator Penrose was to have* $25,000 *of this for his own uses.* Mr. Archbold's company had been publicly attacked by President Roosevelt the previous year in connection with the legislation creating the Department of Commerce and Labor and the Bureau of Corporations.

"The Standard Oil disliked the proposed legislation and sent telegrams to all its secret agents in Congress to have the law amended. President Roosevelt learned of these telegrams, called about twenty newspaper men to the White House, told

them all about it and asked them to print it. The result was a very interesting exposure—and the prompt passage by Congress of the legislation Roosevelt desired.

"Archbold in his testimony refers to this incident as 'adverse newspaper talk, coming from Roosevelt.' He said he was therefore unwilling to give the $100,000 until (we quote from his testimony) 'I was assured that it would be gratefully received by the powers that be. I meant the President. *I mentioned Roosevelt by name.*'

"Mr. Bliss, he says, assured him that it would be appreciated by President Roosevelt, and Mr. Archbold swears that he then gave Mr. Bliss the $100,000 in currency, in $1,000 bills. About a fortnight later Mr. Bliss 'again called on' Archbold, assured him 'of Roosevelt's appreciations' (we are still quoting from Archbold's testimony) and demanded $150,000 more.

"Archbold was willing to give this also, he swears, provided he was sufficiently sure that Roosevelt approved it. But other directors of the Standard refused to make the second contribution. They evidently doubted the delivery of the goods.

"Mr. Bliss again called on Archbold, according to the testimony, told him the Standard Oil was making 'a serious mistake,' urged 'him to reconsider,' told him the money 'was needed,' and 'that if he didn't give it somebody else would.' He again refused.

"Later President Roosevelt attacked the Standard Oil again and had it indicted in five states. Archbold thus testifies about these attacks by Roosevelt:

" 'There never was a more outrageous course of action taken on the part of any administration in any nation of the world. Darkest Abyssinia never saw anything like the course of treatment which we experienced at the hands of the administration following Mr. Roosevelt's election in 1904.'

"Archbold and H. H. Rogers went to Bliss, who said: 'I am sorry to say that it is to me a humiliation. I have no influence with Mr. Roosevelt.' Archbold's testimony continues:

"Question by Senator Clapp—'Was anything said at the time between you with respect to your having made a mistake in not making this second contribution?'

"Answer by Archbold—'Mr. Bliss was not the man to say "I told you so." The inference in the whole matter to anybody who will analyze it was very plain. The substance of it was that Mr. Bliss probably undoubtedly expressed himself that it would have been different if we had done as he wished us to do, *and I myself have no doubt whatever on that question.*'

"Mr. Archbold was then asked how well he knew Cornelius N. Bliss. He replied:

" 'I had known him for many years.'

"'Was he not a man of particularly high character?' asked Senator Clapp.

"'*I never knew a higher,*' Archbold testified. '*I would trust him with anything.*'

"These words complete the portrait of Archbold —by himself. He has just described his efforts to buy a President and his failure.

"After attributing to Mr. Bliss the actions of a simple blackmailer and stool pigeon, he says he 'never knew a higher character.'

"It is probable that Archbold has corrupted so many men—has dealt in men's souls so long—that he has lost all moral sense of perception.

"Archbold required no assurances from anybody as to the $25,000 that he paid Penrose. He knew exactly what he was getting. He says Bliss gave him a receipt, but he cannot find it. But he had no difficulty in finding and producing at once the original messages sent by Senator Flinn and the cipher messages of reply when his employe, Senator Penrose, alias Fanning, wanted them.

"Archbold's word as to receipts and as to all other matters needs corroboration. But his portrait of himself in his testimony is complete."

Some day the *poor offender alone* will not occupy the jails. Some day debauching the nation will be a penitentiary offense. Some day crushing and ruining stockholders of great enterprises will be a penitentiary offense. Some day, in its indignation,

the nation, thwarted so long by the Standard Oil and other powerful interests in getting needed legislation, will enact such great inheritance taxes that families who breed *"respectable scoundrels"* will have less money to hand down to the "third and fourth generations" to perpetuate these evil methods.

I long to see the day when in Wall Street *"respectable scoundrels"* have no power. I long to see the day when the honest men of Wall Street now doing a small business will have freedom and power, and they will not be told, as Mr. Lounsberry was when he attempted to help us, that if he did in any way help us he would be ruined.

O for the day when this word *ruin* will not echo and re-echo in the banks of New York and our land!

For you to confront loss, my stockholders, in your investment, is not an unheard of thing. I can give you any number of instances of losses in other railroads, railroads that have not had what we have had to contend with, railroads these Financial Cannibals did not wish to devour, railroads that have not fought three years of drought, railroads that have not had Mexican insurrections to deal with. The loss in market value of Chicago & Alton, a Harriman enterprise, in the last five years, is *nine million, five hundred thousand dollars.* The loss in market value of Chicago and Great Western, a Morgan road, in the last two years, is *seventeen*

million, four hundred thousand dollars. The loss in the market value of the Denver & Rio Grande, a Gould road, in five years is *twenty-two million dollars.* So you see others besides the Orient Railroad have suffered loss. But their losses were, in a way, from natural conditions. Your losses in the Orient Road are from unnatural causes.

But I wish to qualify what I say above concerning natural causes. They are, more or less, unnatural causes. As the radical legislation of some of the Western states regarding railroads is due more or less to the legislators of these states thus attempting to hit the investments of these *"respectable scoundrels"* whom they know by their corrupt methods have debauched business and increased the price of living so that they might wallow in a trough filled with gold, and while wallowing, now and then kick out some of their surplus to fall into the hands of a university, hospital, or ice fund, to draw attention for the time being from their swinish traits.

The first act in the play "How we grab others' work"—the receivership—has been acted. The years of persecution was the overture. It was a long overture, and I will admit it had many funereal strains which often got on my nerves. The second act, a committee formed without me on it to help fight the battles, is also over. The third act is to separate our faithful General Manager from the property. These people think the stage is now set for this act. With no shepherd to guard the sheep,

these financial wolves can then have full sway, and the curtain will be rung down on the last act. Then, as in the Southern, names only too well known will come into the directory, the road will be divided up among existing roads or finished for the profit of these Financial Cannibals, and from afar the stockholders will be allowed to watch the Belshazzar feast. But "God is a consuming fire," and I can read the handwriting on the wall. The third act may not come off as written and staged. And if this book could have the circulation it would have could I use the ordinary channels, channels now closed to me by the Money Trust, it would arouse enough righteous indignation to thwart these "respectable scoundrels," and enable us to finish the road by popular subscription.

CHAPTER XX

The Seeming Triumph of Evil

The five million dollar bond sale in Paris had been blocked, as the president of one of New York's great banks predicted it would be to one of our directors a few months before.

As our contract with these French bankers had provided that we were not in any way to attempt to sell our securities in Europe, I had dropped numerous negotiations under way, confident that our faithful London friends had the needed money from this contract. Had it not been for this clause in the contract that prevented our attempting to sell bonds elsewhere, I would have been able to close one of the other arrangements under way.

But we were all positive that this five million dollar sale was practically closed and so did not look elsewhere. Often, I will admit, doubts came to my mind, as I knew better than anyone else the power for evil of the directors of this bank, whose president had predicted we would not get the money. The nation is finding out now some of the evil these men can do who are or were directors of this bank. But at last our good friends in London, who had worked so faithfully on this bond matter, cabled

that it was useless to expect to close it, that the pressure was so great from New York that nothing could be done, and only receivership awaited our road. Then, a few days later, we received word that a committee composed of members of our London Finance Committee, and one of our former London brokers, would sail for the United States to attend the funeral. They arrived; the receivership was asked for at their request; it was granted, and our general manager, Mr. Dickinson, was made one of the receivers. Then came the daily wrangle over the members of the Reorganization Committee.

I insisted that it was a crime to go outside of our stock and bondholders for members of this committee. Why on earth, with such a great list of good men, should we get outside men, who, if they accepted the position, were only doing it for the fee, or else to serve interests that wished to make the ruin complete? My experience with the committees on the Kansas City Southern had made me an expert in such matters. My idea was that the Committee of Bondholders should have been chosen, as far as the United States is concerned, from the following gentlemen: J. T. Odell, H. H. Westinghouse, F. W. Roebling, Charles F. Ayer, John W. Wallace, H. C. Baldwin, Theodore Shonts and myself. There should be only one committee for Bond and Construction Shares, as their interests were so interwoven that it was impossible for two

committees to act. Moreover our properties should have been kept in the owners' hands, and not given to others to destroy, if they should wish to.

But my English friends were new at this kind of work, and influenced as they no doubt were, thought otherwise, and as they were reliable men it was no doubt an honest conviction. I was assured time after time that if I attempted to form a committee that my trust company would be ruined. I was assured time after time that my presentiments that this was the only means to save the road were wrong and that there was money in sight to finish the road and serve all interests. After consulting with friends in whom I had great confidence, men like Messrs. Wallace, Estabrook and others, who advised me to acquiesce to my English friends' request, I agreed, but I am still convinced that I made a mistake, still convinced that my English friends made a still greater mistake, but I hope to see it proved that my fears were groundless. Mr. Shonts is the only man on the Bondholders' Committee in the United States who should have been there, when we were so rich in good names among our own people.

Then as the great load of daily worry was for a time taken from me, my thoughts turned to the building up of the United States & Mexican Trust Company, bringing to this company the great future that I was positive I could bring to it in a very few months by the carrying out of ideas which I had had in mind for five or six years. Although

the earnings had been over two hundred thousand dollars per year net for the last two years, I was positive that certain plans which I had in view would increase this, and I still feel that I am correct in this idea. As I had been assured that the Trust Company would be left me, I withdrew from any idea of helping the Reorganization Committee. I supposed that I had a perfect right to commence laying out a great future for the Trust Company.

I needed extra help in the company. A committee of our directors annually went over our assets, and made their own appraisals of the value of the property. This year on that committee was a banker of Washington, one of our directors, who had been of great help to me in the past. When he saw the possibilities of the company, he suggested, to our surprise, that he was willing to resign from the bank of which he was president, and come with us as vice-president to help me carry out the work of reorganization. We were delighted at this addition to our official force, and elected him vice-president. Shortly after his election he was in Washington, where he was called before the officers of one of the banks with which we had a small piece of paper with my name as one of the endorsers. There he met the bank examiner, who stated to the officers of the bank that my name was unfit for any bank to have on its paper. God and the Money Trust only know why.

Never has any of my paper, in all my business life, defaulted or gone to protest. I should be good at this bank or any bank for the small amount of the note, but this poor examiner must obey indirectly the orders of the financial masters of our land, and this note must be taken up. So this bank examiner in Washington had such influence that our Vice-President now assured me that I must resign the few positions I still held in this land where I had built railroads equal in length from New York to San Francisco, where twenty thousand people were at work in companies I had formed, with a thirty million dollar payroll. I must now give up my last position, my last means of livelihood. The Money Trust, through the United States Comptroller, was taking away from me my last position, as the president of the National Reserve Bank had said they would two years before, and I felt like poor Dreyfus, when all of his regiment were called out to see him stripped of his honors and even the military buttons cut from his clothes. It was a victorious day for his enemies.

But he came back, and perhaps I will. Did Dreyfus ever fight for his people as I have fought? Yet his fight was made the nation's fight. Perhaps mine will be.

The most remarkable thing in the writing of this book is the receipt of a letter this morning, after dictating this chapter, from a friend of mine in

England, a man of high standing in London, who has holdings in the road:

"I do hope you are feeling stronger and better again. You have had an awful time with this terrible money octopus against you. It would have broken up any ordinary man altogether to see the great work that you initiated, and as it grew, so grew the machinations of those who were jealous of your success, and who saw the enormous profits that must accrue to the K. C. M. & O. when completed, and they are still working tooth and nail to get control or else divide up the parts already built so that no outside group shall have control of a transcontinental line. I cannot see how the English group can allow themselves to be fooled, how they could agree to a committee being formed of people who had no interest whatever in conserving the property for bond and shareholders but only to break it up and make profits for themselves out of the wreckage. But I can see plainly that they are trying to push out the only remaining props, i. e., Messrs. ——— and ———, so they will be able to ride rough shod over everything, and wipe the floor with the stockholders and bondholders too, if they make it worth the Court's while. It is a wicked state of things to think that all the money found and put into the building of the road in good faith should be confiscated, though we all know the profits when the road is finished would soon grow into something immense."

CHAPTER XXI

To the Money Trust

I can assure you, gentlemen of the Money Trust, that the Nation will not stand much longer the high-handed methods you employ. It is only a step from regulating trusts to regulating individuals. The Tobacco and Standard Oil Trusts have reaped hundreds of millions in increased values of shares through the government's action and prosecution. This, in the eyes of the people, is no punishment for the crimes committed. Tons of gold to be the result of a verdict of "guilty" seems strange, yet this is what the Standard Oil and the Tobacco Trusts received, as I mention in the Chapter on Remedies.

I hope to see a law passed by Congress this next session whereby the officers and directors of any company convicted of violations of the Sherman Law are not eligible for five years to serve as officers or directors of any public service company or national bank. What your punishment may be for destroying solvent banks, as Untermeyer says you do, I cannot say. I will admit that the influence of your money with newspapers, in the Halls of Congress, and in State Legislatures is almost om-

nipotent, but I prefer to stand in open fight. And let me assure you that there is no gain in this kind of work; it spells only loss. You can hit me and others directly; you can, as Untermeyer says, in times of panic destroy solvent banks, but in the long run your gain will be loss.

Congress sooner or later will pass all the laws Untermeyer finds necessary. The ineffective substitutes for decisive action will be discarded. There is no doubt in my mind that railroad rates ought to be advanced. It is just. The high cost of living forces increased expenses to railroads, and wages are year after year advancing. Yet the Interstate Commerce Commission and State Railroad Boards are year by year reducing railroad rates. It is the Nation's way of striking back.

Look at the loss in St. Paul stocks in the last few years; look at the millions lost in Chicago & Alton bonds and shares, in Chicago & Great Western bonds and shares.

You who made the Kansas City Southern Railroad stagger under a debt it never would have had but for your acts; you who caused me and the officers of the Orient Road to do our work of financing over and over; made it cost, to date, millions it never would have cost had we been left unmolested as we should have been; can you wonder at the sequel? All of this injustice is felt by the people, and they have retaliated by opposing increased railroad rates. Is it strange? Can you expect the

people of Colorado to like Wall Street when they see how Moffat was defeated in his endeavors. As Mr. Moffat said to a friend of mine, "It breaks my heart to be defeated year after year in this great fight."

The people of Colorado know this. Can you expect them to help you in your investment and rejoice in your prosperity? The road of injustice is not the highway to prosperity. You are now indirectly suffering from these business methods.

The people of Texas saw me build a great road in the eastern part of the state. They saw me develop a great city and build a great harbor. Then they saw a Wall Street banker fight me day and night; they saw my road in receivership. They knew that Gates, Harriman and Thalmann, and one of the partners of the Kuhn-Loeb firm were in the directory of the road when the Guardian Trust Company was put in receivership. All this they knew. Then they saw me start again with no word of protest, just a manly fight to start life over. Again I started a great road in the western part of Texas. They saw new towns spring up as if by magic; they saw Sweetwater double and San Angelo treble in population; they saw land values jump millions as our road progressed; they heard how day by day our work was made harder and harder by your opposition; they saw you defeat us in the five million bond sale in France, and then they saw my second road go into receivership. No wonder the governor

of Texas said, "I do not see how Stilwell can win with such opposition."

These people of Texas are big men, big-hearted men, men with great ideas of the world—the natural result of life spent on vast, far-sweeping plains. I am their friend. They have seen you hurt me. They resent it, and do not doubt that they show their resentment more or less in the treatment accorded the railroads you own in that state. Do you not think that had you not oppressed and slandered their friend and backer they would have felt kindlier toward you and yours?

You have been money and power mad. Stop it —for your sake, the Nation's sake, your children's sake, or the day may come when you will have to flee the Nation from the wrath of its people and your seeming profit will melt as snow before the sun.

Any profit from injustice is only seeming profit; it cannot be lasting or bring any satisfaction.

It is a great pleasure for me to say that in Wall Street are great banking houses that would not resort to such methods; the majority of members of the Exchange deplore the tactics of the few, tactics which are bound to lead to business destruction. The members of the house of Blair and Company have always had only kindly words when asked regarding me and my work, and I take this occasion to thank the partners one and all and assure them that not only my life, but the financial

condition of the Nation, would be much different if all banking houses were actuated by the same high ideals.

In the Reorganization Committee of the Kansas City Southern, both Mr. Bull and Mr. Welch opposed the treatment accorded me, and told the rest of the members it was shameful to have accepted my help and then to break all promises made to me and the Guardian Trust Company stockholders and attempt to break me, day by day, as a reward for my work in getting the bonds and shares deposited which made the reorganization plan effective, where, without my help, it would have been a failure.

In all this destructive work, these lies by tongue and pen, not once have I been able to ascribe any of this work to the house of J. P. Morgan. I believe Mr. Morgan and all his partners, and his former partner, Mr. Perkins, are above this kind of work. Also the fact that the Orient Road had a small credit with a sub-company of the United States Steel Corporation confirms me in this. The fact that Mr. Shonts was a director in the Orient Railroad is additional evidence. Mr. Stotesbury, one of the partners of J. P. Morgan, was a member of the first Reorganization Committee of the Southern, and when I told him of Thalmann's offer to me he at once resigned. So in these days of oppression that I have passed through it is a pleasure to feel that the Nation has one house above such work.

The house of Morgan may, for all I know, be the head of the Money Trust, but never by anything that has been said or done could I infer that such is the case.

CHAPTER XXII

The Whirlwind of Dollars

If you have ever been out on Western plains, you have seen small whirlwinds of sand join and move over the plains, reaching several hundred feet from the ground. As they whirl they move from ten to twenty miles an hour. All at once they break, and a small pile of sand is left where they have given up existence.

What we are suffering from is these whirlwinds that have moved over our land for the last ten or twenty years, and in each city have sucked out of from one to a dozen institutions whirlwinds of dollars which have moved on to the Money Trust and dropped to their feet golden and silver treasures, leaving the institutions they have sucked the life out of, impoverished and with an almost hopeless task of earning enough to repair the damage done by the ravenous whirlwind.

Millions of tribute money from all the great cities of the land have gone on to the Money Trust pocket and no one dares say a word. Take Harriman fifteen years ago; I doubt if he had ten million dollars. He died, we will say, worth one hundred and fifty million. This is ten millions a year made for

fifteen years. In the last eight years of his life it is said he made one hundred million. This is, we will say, one million per month, or thirty-three thousand dollars per day, he sucked out of the United States. Say that the working hours of a day are eight; this made his profits four thousand, one hundred and twenty-five dollars per hour for each working hour for eight years. Think of it! Think of the thousands of bright men working a year for less than he made per hour. Say that there are sixteen silver dollars in a pound. Every fifteen minutes of these eight hours a man would have to come to his office and lay down a bag of silver weighing over sixty-four pounds, to represent his profits. That was only his share of these whirlwinds. There were dozens of others who had the silver showers laid at their feet also, and probably at least seven-tenths of these showers came from injustice and greed. And when a good man like Mr. Fish stood in the way, he was removed quickly; nothing must block these whirlwinds on their journey to the feet of the Money Trust.

(After I wrote this, I read it to a friend of mine, and was asked if it was right to refer to a dead man. My answer was, "The world still speaks of Captain Kidd.")

There can be no true financial prosperity again until the Money Trust is dissolved. There may be, as there has been, manufactured prosperity so that certain groups can unload their stocks or bonds,

but with the basis of finance rotten there is no hope until that rottenness is exposed, stopped, and laws enacted that will make its return impossible.

There are hundreds of men in the Stock Exchange and on Wall Street who in their hearts say Amen to every word of this. Lift this ban of interlocking directors, give a chance to high-minded men who will not stoop to the unprincipled methods now being used by these *"financial scoundrels,"* and you will see a new alignment of financial houses. There are dozens of them who would have resented these tactics long ago had they dared.

Take one of the men I have in mind; while professing piety he breaks any of the ten commandments he wishes, has his millions and his mistresses. Now what is there in this man to fear? Do you fear the greatness of his sins, or his money bags? Neither of them have any power in the presence of *truth.* He has been so used to seeing people fear and cringe before him that he has come to think it his proper due. But is it? Just a few months of honest endeavor on the part of Congress and the Senate, and this seeming power would soon begin to dwindle.

CHAPTER XXIII

The Remedy

Must the nation allow these destructive conditions to exist such as have been forced upon the Orient Railroad by a few rich men? Shall these financial high-binders steal from stockholders any enterprise which they may covet, and as Untermeyer says, "In a panic destroy a number of solvent banks"? This must be stopped and I am sure it can be. If not, Socialism will be rampant, and we will see even worse conditions in our beloved country than existed in France during the Commune, and the streets will ring here as they did there with the cry: Liberty, Equality and Justice. There is no escaping it. The law of retribution set in motion by these men so mesmerized by their wealth and the power it has given them, will force the people to adopt such severe methods that the pen of the historian will hate to record them. One of America's greatest men, an ex-railroad president, a man with a name as clean as it is great, said to me only a few weeks ago: "Stilwell, I am selling my securities, have resigned from nearly all the companies I am a director in, preparing for the day when this nation will arise and say to these money-mad men, 'Thou shalt not steal.' "

That day I believe is near at hand and it is the duty of every American citizen to do all in his power to hasten it by insisting upon honest methods in business dealings, and that the dollar of the rich shall have no more power than the dollar of the poor.

Laws can be passed that will eliminate from the minds of such men as Havemeyer any desire to gain riches by false scales; the fear of the penitentiary for five or ten years would cure the whole brood of their grabitis. But how can we expect the Standard Oil stockholders or directors to object to a verdict of guilt when such a verdict increases the market value of their shares four hundred million dollars? But such is the case. Nothing would please them better than to have the nation repeat this every year. But if two or three of these directors had been sent to prison for five or ten years and branded as criminals, the effect would have been highly beneficial to the business life of the nation.

What but Graft is the destruction of a great company like the Orient Railroad so that it may fall into the hands of a certain group of rich men? If it is Graft and nothing can be done about it because the offenders are rich men, why should we get so excited over this recent case of Graft in New York City, which began with Becker and the end is not yet? And why attempt to stop men like the McNamaras? They had as much right to destroy bridges and buildings as Harriman, Gates and

Thalmann had to destroy the Guardian Trust Company. Why are not these rich offenders brought to justice? There is only one answer: they find men in high government positions for sale, and they buy enough of them to prevent any law being passed that will interfere with their diabolical financial schemes.

The following copied from the Chicago *American* of August 21, 1912, illustrates what I say, and how many thousand more cases are there of which we never hear:

"THE ARCHBOLD LETTER

"Following is the 'My Dear Senator' letter to Senator Penrose, published in *Hearst's Magazine,* on which impeachment proceedings are to be based:

" 'Personal. October 13, 1904.

" 'My Dear Senator:

" 'In fulfillment of our understanding, it gives me pleasure to hand you herewith certificate of deposit to your favor for $25,000 and with good wishes, I am, yours truly,

" 'JOHN D. ARCHBOLD.

" 'To Hon. Boies Penrose, 1331 Spruce Street,

" 'Philadelphia, Pa.'

"FLINN'S NEW CHARGES

"The $25,000 was paid to Penrose after he, as a member of the Industrial Commission, had taken orders from Jno. D. Archbold of Standard Oil on

the course of that commission in investigating the monopoly. Penrose was paid this $25,000 after the report of the Industrial Commission had been submitted to John D. Archbold and approved by him, previous to being made public."

They also find judges like ex-Judge Phillips of Kansas City, who will accept favors until he is practically owned by them, and thus have their orders carried out, and men like myself assassinated in the business world. I for one will not remain in this country and submit to this treatment longer. Having built nearly 3,000 miles of railroad, equal to the distance from New York to San Francisco, and furnished employment to tie cutters alone of one million, five hundred thousand days' labor, after all these years of faithful work for my country I naturally love it, and should I not occupy as secure and honored a position here as these men whom Untermeyer says "In a panic . . . destroyed a number of solvent banks"? I think I should. The remedy is: make conspiracy to ruin business enterprises by dollars as unsafe as to ruin by dynamite. The remedy is: make the rich suffer for misdeeds as well as the poor. The remedy is: for the government to unearth the conspiracy to ruin the Orient Railroad and its stockholders, with the same determination and skill it used in the McNamara case. Then this kind of destructive

work will stop and this will indeed to be the Land of the Free.

LAWS AND AMENDMENTS THAT WOULD HELP

1st. Amend the banking laws so that the reserve of the National Banks is kept in cash in the bank. This will prevent the concentration in large cities of money which is at once withdrawn in case of any financial unrest, producing stringency and panic. Were this done panics would be fewer and speculation, but not investment, would be prevented.

2nd. Let the Government Bonds be convertible in multiples of $10,000 into currency by anyone, but during such conversion let the Government retain the interest on the bonds. This would help prevent stringency, and all men of means would invest in these bonds, knowing they could convert them into cash when needed and reconvert them into bonds when the need of cash had passed by. This would prevent the owners of Government Bonds being forced to pay twelve per cent for currency during panics and being unable to borrow on their bonds, as they were in many instances during the last panic. The Government of this country is by the people and for the people, and there is no reason why the individual's Government Bonds should not be exchangeable for currency the same as banks' Government Bonds. This would enable insurance companies in times of panic or when paying large fire losses to turn their Govern-

ment Bonds into currency and not be forced to sell their railroad bonds and other securities in a bad market. It would bring great stability to the market and help prevent stringency in crop-moving periods and during panics.

3rd. The railroads of our land are the greatest tools the nation has. The more prosperous they are, the more just the rates, the more prosperous the nation. There is no way for the nation to prosper if the railroads do not. At least one person in eight of our population is dependent on railroads for his living. Good wages can only come to railroad men and railroad industries when railroads are prosperous. All laws to make railroad investments stable should be enacted for the good of all. All misdeeds of officers should be severely punished by the Government. Such acts bring just as much discredit on railroad investments as radical legislation does. The great purchase of stock by the Union Pacific under the Harriman reign has caused much comment. This act offered chances to make millions at the expense of the stockholders. Now, the question is, "Was it done?" Did certain men have this matter in mind for months? Did they accumulate these stocks in some third party's hands at lower prices than they sold them to the railroad, and make the difference for private gain? In July, this year, the statute of limitations has run on this act. But suppose a holder of $1,000 had wished to bring these men to court to find out if such were the case. The

only result would be years of litigation at his expense. If he proved that they had thus looted the company the money would be returned, not to him, but to the treasury of the road, at his expense.

A law ought to be passed that on the request of ten per cent of the stockholders of any other railroad the Government at its own expense would probe the matter and pay the expenses of such a suit. Were there such a law in effect these purchases of stock might never have taken place. Such purchases, if legal, ought to be passed on by the Interstate Commerce Commission or the Commerce Court before made, and the price to be paid approved by them. This would bring great stability to railroad investments.

4th. One of the greatest financial evils consists in forcing railroads into receivership for the enormous profits that come to and through the reorganization of these properties. This all ought to be in the hands of the Interstate Commerce Commission. If a railroad must go through reorganization every effort should be made to have it done with the sole purpose of protecting all investors. The security holders ought to advise the Interstate Commerce Commission as to the reorganization committee to be appointed by them, if acceptable to the Court. Numerous committees, as it is now witnessed in the Wabash case, would be prevented. The fees of the committees and all expenses ought to be approved by the Court. The assessment on the stock, if any,

the scaling, if any, of the debt, all ought to be approved by the Court. This would prevent the great graft which sometimes occurs in a receivership, and would prevent the capitalizing of the deficits of railroads, as is sometimes done.

5th. Make the office of Comptroller equal in pay to that of a Cabinet officer, the appointment for life unless removed by a two-thirds vote of Congress. Then future Comptrollers would not be forced to be the servant of the Money Trust to assure their future when their term of office has expired. Comptrollers know that if while in office they displease, in any way, the leading bankers, it is useless for them ever to expect again to be the head of any prominent financial institution in the United States.

6th. Pass a law whereby any officer or director of any company convicted of violation of the Sherman Law is not eligible for five years to serve as officer or director of any bank, trust company or any public service corporation.

CHAPTER XXIV

The Conclusions

The traits we live come to us as an inheritance. They started to shape themselves before the Stone Age, in the dawn of the world, and gathered or lost momentum as they were handed down from generation to generation. As we receive them, they become our record or roll of life, which we reproduce in our daily acts, like the needle of the phonograph gliding over its record. My ancestors handed down to me a strange mixture of force and gentleness. From Hamlin Stilwell and his father, who was a leader in the Revolution, came my progressive and constructive traits.

Hamlin Stilwell, like myself, was a builder. He was one of the leading forces in the building of the Erie Canal, was one of the men appointed by the governor of New York State to mix the waters of Lake Erie with the Hudson River at the opening of the canal. He was the one appointed by the governor to escort Lafayette across New York State on his second visit to the United States. He was connected with the building of the New York Central Railroad and the Western Union Telegraph Company. He was one of the founders of the Rochester Savings Bank and the Rochester Gas

Company, and was one of the trustees who designed and laid out the beautiful Mt. Hope cemetery. He retired from business at the age of thirty-five for the purpose of promoting a Western House of Refuge for redeeming and saving young men who had up to that time been placed in penitentiaries. So from the paternal side came my love to build and construct. From that trait in my grandfather that wished to save and help young men, came my love to promote companies which would give employment to others.

From my mother's side and its long line of ministers and missionaries, among whom were my uncle Joseph Pierson, who was one of the leading Episcopal ministers of New York City, and my uncle Arthur Tappan Pierson, the successor of Spurgeon in London, came my love of non-combative and pacific methods and the firm conviction that right will triumph, even though at the time it may seem to be on the gallows or the cross. I yet believe that gentleness will some day be a recognized business trait, and that to be a successful business man one need not have the instincts of a wolf or the ferocious and devouring traits of a lion.

With these inherited traits Kountz did not awe me with his hundred thousand dollar bribe, nor scare me by his ruin threat. Thalmann's offer looked like thirty cents. Betray my stockholders—men who had trusted me! It never entered my

mind, not even for the sake of retaining the railroad I had built. Gates' offer that night in the Rookery Building had nothing alluring in it, and the fifteen years of suffering is nothing to the remorse I would have felt had I accepted any one of these offers. My ancestors left in my system an abhorrence for such methods.

What I could have done for Kansas City and for the Golden West had I been let alone to develop the constructive ideas which I have always had, I cannot tell, but as I said before, I do know that today the Guardian Trust Company would be one of the greatest financial companies of the West and that my stock holdings in it would be worth hundreds of thousands of dollars. Port Arthur would be two or three times larger than now, as I had great plans that would have made it one of the greatest cities of the South; plans which I regret not being able to carry out. The people who owned the townsite would have reaped great reward and the Kansas City Southern's stockholders would have been greatly benefited had I been left at the head of the road.

I can assure my readers that it is hard work to keep from making mistakes when one is tripped, chased, slandered and followed by detectives, the knowledge of which so harasses him that only one-half of his day can be spent in peacefully thinking out plans and developing the work that he has in hand. Nor does it help to know that one is black-

listed among the bankers, that the greatest aggregation of wealth that the world has ever known has marked him for ruin, of the reason for which he has not the slightest idea.

James J. Hill, like myself, was a great pioneer, and developed to the fullest extent his constructive ideas; but for some reasons which I do not know he made peace with the Money Trust and has rounded out his life at the head of his great creations. I am positive that Kansas City today would have from twenty-five thousand to fifty thousand more people could I have lived in peace and worked for its upbuilding, in place of taking one-half of my time protecting my great enterprises from Wall Street and United States judges.

Naturally, after these years of chaos, all of my instincts long for rest; but how can any man give up such an unjust fight, and surrender when he has right on his side? I understand fully that this is what the Money Trust expects one whom they wish to destroy to do—simply surrender, give up and be quiet. But my great belief in the ultimate triumph of right leads me to hope that the day is not far distant when some of my creations, the children of my mind, may come back to me. I still dream of the final verdict in the Guardian Trust Company's case after eleven years of judicial crime. I still dream of hearing the people composing the Money Trust admit that they have been wrong in not letting me alone; and I can assure

these people that another man treated as I have been might long ago have resorted to harsh methods; but I am a man of peace; I desire no revenge; it is not in my system. But I do from now on demand freedom.

There are only two paths I can see open to me. One is that I shall, through some combination of circumstances, deliver my message of progress over the finished Orient Road, with Mr. Dickinson and myself still guiding its destinies. That such a combination of events should occur does not now seem possible, but if it is destiny for me to be that messenger, all combinations on earth cannot prevent it, and all opposition would be but stepping stones to the final goal.

If my business life is now ended, and notwithstanding the fact that my home is now in New York, where my ancestors worked unmolested for the upbuilding of that state, I shall always think of you, my dear Kansas City, and still watch you from afar. You will be a great city, far greater than you now dream of. The wealth of the wonderful Missouri Valley will flow through your gates, and pay tribute to your banks, merchants and manufacturers. Often in the October of life, with its struggles nearly over, I shall think of the October days of harvest of my dearly loved West. I shall hope that your barns are filled to overflowing with the grains of the field, that on the pastures of your blessed land the herds are numerous, and your

future bright. You are a fine people, you of the boundless West. What a lesson Wichita gave of sterling honsety when they revoted our subsidy bonds which we had forfeited by not finishing our road on the agreed date, and which was revoted with a larger majority after you had received the road finished, than was given before. When people are honest there is nothing to fear, and I did not fear but that this would be the result, for I knew the people of Wichita.

If this is business exile, I shall carry with me the remembrances of great acts of unselfishness of many dear friends—like those of Mr. Hurdle, who came here from London at any time of need, the remarks of Mr. R. A. Long of Kansas City that he never would have moved to Kansas City nor erected the R. A. Long Building had it not been for my constructive work, and the remark of Mr. Munger that my work for Kansas City added one more story to their building.

These remarks, which they have probably forgotten, are to me living messages of good cheer, and I will ever prize them as I gaze down the crowded vistas of the past.

Bancroft L

As the time for nomination for president drew near, I felt that it was the opportunity of years to get one of the candidates and one of the parties to come out for freedom of action, freedom from the Money Trust, and to champion the passing of laws which would enable the Money Trust to be probed

to the bottom, and force its questionable methods to be exposed to the light of day. I felt that one of the parties should state in its platform that such was its intention and that there should be no difference between dollars and dynamite if they were used for destructive purposes, but that the men who used capital to destroy business enterprises were as guilty as the members of labor organizations who used dynamite, and should be punished as criminals.

With this idea in mind I wrote to President Taft and requested an interview, but my letter was referred to his campaign manager. Then, later, when a number of delegates to the Republican Convention in Chicago suggested the idea of nominating me for Vice-President on the Republican ticket, I sent a representative there to state that if any such action was taken it must be stated in the platform that the Money Trust was to be probed to the bottom; but my name was not offered, as Mr. Barnes insisted on Sherman as Vice-President. Now as I read daily from the investigation in Washington of the great contributions to the Republican party in times past by the moneyed interests of Wall Street, I can readily understand why the great trusts have developed and the great injustice of the Money Trust has been allowed to go on from day to day without the punishment of those guilty of their destructive work. The Republican party is simply remember-

ing its creator, and it is quite right in doing so if its principal claim to victory in the past has been the great contributions of the Money Power in Wall Street. It certainly has done its duty in delivering the goods.

When I found that Ex-President Roosevelt was to run on a third ticket, I wrote to him and told him I felt sure I could show him the road to success, but received no reply. As Mr. Perkins of the Harvester Trust is one of his creators, if he is elected, and as he is a great power in Wall Street, I doubt if I should have been successful had I obtained an interview, but I feel positive that Ex-President Roosevelt knows the justice of what I am saying, even if he could not uphold the plans I advocate.

I felt helpless until Bryan's speech in Baltimore, when he insisted that the nominee of the Democratic party for President must be free from Wall Street taint. What a stand! It will go down in history! And in that speech I saw the birth of a new era for our land. I later called on Governor Wilson and found his eyes opened to this great evil, and in his election I see freedom as a possibility. It is useless to expect it otherwise. Taft today stands very little chance of being elected. They say Roosevelt has already accepted great contributions from Perkins and his friends, and he must, if elected, remember his creator; but Governor Wilson, from William Jennings Bryan's act

that day in Baltimore, is absolutely free. He should be elected President, and it is my earnest appeal to the people who love freedom, to help me in this fight and help elect Governor Wilson.

And at the same time Congress and the Senate must have a large working majority so there can be no excuse for not acting in this matter. Then the nation can judge whether or not the Democratic party is the party for redeeming the nation. There is no doubt the Standard Oil Company owns in the Senate and Congress any number of its members and will endeavor to buy others; therefore, whichever party goes into power must have a great working majority. It looks like the election of Governor Wilson, and if this is so, let us make it a sweeping victory. Had Ex-President Roosevelt been nominated by the Republican party he no doubt would have been elected. But with a divided party there is not much show.

In this book you have had a heart-to-heart talk with me. I have given you facts that I was not free to give you while I was still the officer of any corporation. The Money Trust in forcing me out of all companies made it possible for me to write this book. It cannot but do its work, and, like the dove from out the ark, I expect it to return with the sprig of freedom.

May my reader do all in his power to see that his friends read this book; write them and request it; see them and request it. All the usual channels to

distribute books are closed to me. Those who control them would not dare help me. It is the people's fight, and I hope one and all will consider it a personal fight.

In closing, I wish to say that considering the awful perplexities of the year, considering that this month I was forced to resign from all the companies of which I was president, the fact that within six days I have been able to write this book and have it in the printers' hands, proves to me that these Cannibals of Finance have not deprived me of my ability to work.

ADDENDA

The daily exposé of Congressmen and Senators, and now this letter of ex-President Roosevelt in the papers of September 2, 1912, revealing Harriman's character from his own lips to the Vice-President of the United States, are all wonderful contributory information and proof of what I have stated in the preceding pages of this book. This letter of the ex-President, in which he recounts Mr. Harriman's words of the evil he would do when necessary, even to debauching the court, makes you wonder what mass of corruption there may be still unexposed.

Understanding the power and influence of banks, it horrifies me to think that a certain group of New York banks were dominated by men who robbed the nation of millions by false scales, who caused the wrecking of a great trust company in Philadelphia; men who bought judges; men who the Supreme Court said managed their companies for destructive and evil purposes; men like Harriman, who said he could, and did when he wished, buy Legislators, Congress and the Judiciary; and of the influence for evil a bank thus dominated has for taking away from people their own, and, worst of all, taking from men like myself LIBERTY and the power to bring blessings to their nation and people.

In no other nation could such unprincipled men be the controlling power in great banks. Can you for a moment think of such men in the directory of the Bank of England?

I feel like Paul Revere felt when he started to arouse the people of his day. Read in the letter I here give you extracts from ex-President Roosevelt's letter to Vice-President Sherman. To me this letter seems like the voice of Edward Harriman saying, "Here, Stilwell, is ample proof that I was capable of doing all you say I did."

I prefer the pirates of old. You could see them coming; but the pirates of today surround you by the influence of banks, the press, and the bought influence of judges and men in power, and thus take from you by conditions what the pirates of old took by force.

This is the letter:

"So much for what Mr. Harriman said about me personally. Far more important are the additional remarks he made to you, as you inform me, when you asked him if he thought it was well to see Hearstism and the like triumphant over the Republican party. You inform me that he told you that he did not care in the least, because those people were crooks and he could buy them; that whenever he wanted legislation from a state legislature he could buy it; that he 'could buy Congress,' and that if necessary he 'could buy the judiciary.' This was doubtless said partly in boastful cynicism and partly in a mere burst of bad temper because of his objection to the interstate commerce law and to my actions as President.

"But it shows a cynicism and deep-seated corruption which makes the man uttering such sentiments, and boasting, no matter how falsely, of his power to perform such crimes, at least as undesirable a citizen as Debs or Moyer or Haywood.

"It is because we have capitalists capable of uttering such sentiments and capable of acting on them that there is strength behind sinister agitators of the Hearst type. The wealthy corruptionist, and the demagogue who excites, in the press or on the stump, in office or out of office, class against class and appeals to the basest passions of the human soul, are fundamentally alike and are equally enemies of the republic. I was horrified, as was Root, when you told us today what Harriman had said to you. As I say, if you meet him you are entirely welcome to show him this letter, although, of course, it must not be made public unless required by some reason of public policy, and then only after my consent has first been obtained. Sincerely yours,

"THEODORE ROOSEVELT.

"Hon. J. S. Sherman, St. James Building, 1133 Broadway, New York."